

Iraq, Iran report attacks

BAHRAIN (AP) — Iraq, pursuing its attempt to cut off Iran's oil exports, on Tuesday announced that its jet fighters raided the key Kharg Island oil terminal and an unidentified ship in its vicinity. An Iraqi military spokesman announced over Baghdad Radio that the raid targeted the Kharg terminal in the north-eastern part of the Gulf waters were left ablaze in the attack. The spokesman said the jet fighters at 4:15 p.m. raided the "large maritime target," which in Iraqi military parlance usually refers to a supertanker. Iran in turn reported that its navy units damaged "an advanced Iraqi frigate" in Khor Abd Allah, a narrow bay leading to Iraq's naval base at Umm Qasr, inflicting heavy losses. The naval attack was accompanied by aerial bombing of Iraqi positions on the southern edge of the Fao-Basra region. Tehran radio added.

هكذا من الأمل

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Canadian foreign minister due today

AMMAN (J.T.) — Canadian Foreign Minister Joe Clark is due here on Wednesday for talks with senior Jordanian officials on the current situation in the Middle East and Canadian-Arab relations as well as issues of mutual concern. A spokesman for the Canadian embassy in Amman said Tuesday. The spokesman said issues related to the Arab-Israeli conflict are expected to dominate the talks which will also tackle Canadian-Jordanian relations and means to boost economic cooperation between the two countries. Following his visit to Jordan Mr. Clark will also visit Saudi Arabia, Egypt and Israel. The spokesman told the Jordan Times. The Canadian foreign minister is expected to hold a press conference on the outcome of his talks in Jordan on April 6 before winding up his four-day visit. Mr. Clark's first visit to the Kingdom was in January 1979 in his capacity as leader of the opposition party, the Progressive Conservatives.

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Regent visits army units

AMMAN (Petra) — His Royal Highness Crown Prince Hassan, the Regent, on Tuesday visited units of the Fifth Royal Armoured Division and met with its commanders and officers. The Regent attended a sports festival held by the units and distributed awards and prizes to those excelling in their performance. The sports activities included gymnastics, athletics and other competitions. Mafrag Governor Fayez Abbadi and other senior army officers were present at the festival.

April 7 declared public holiday

AMMAN (J.T.) — All government departments and public institutions will be closed on Monday, April 7, on Al Isra' a Wal Mi'raj Day (the anniversary marking the Prophet Mohammad's nocturnal journey and ascension to heaven) and Al Aqsa Day, according to an official communique issued by Deputy Prime Minister Abdul Wahab Al Majali. The communique instructed all departments to celebrate the occasion.

Sharif Zaid leaves for Bahrain

AMMAN (Petra) — Armed Forces Commander-in-Chief General Sharif Zaid Ibn Shaker left for Bahrain on Tuesday on a several-day official visit upon invitation from his Bahraini counterpart, Prince Hamad Ibn Isa Al Khalifeh.

Spanish Upper House speaker due here

AMMAN (J.T.) — Speaker of the Spanish Upper House of Parliament (Senado) Jose Federico de Carvajal will arrive here on April 9 on a week-long visit to the Kingdom. Spanish Ambassador to Jordan Emilio Menendez del Valle told the Jordan Times on Tuesday that Mr. de Carvajal will head a five-member parliamentary team.

Israelis said to have destroyed Palestinian boats at Genoa

BAHRAIN (AP) — Israeli frogmen blew up two Palestinian navy boats last month while anchored in the Italian port of Genoa, the weekly Arabic magazine Al Majalla has reported. In its issue for the week ending Tuesday, the London-based Saudi Arabian magazine said the two boats were blown up early March, but it did not divulge any details on casualties or who might have been aboard.

Attempt on Berri's life was a hoax

TEL AVIV (AP) — A soldier in Israel's military intelligence faked a report on Tuesday that Lebanese politician Nabih Berri had been gravely wounded in an assassination attempt, military sources said.

INSIDE

- * French observer team to leave Beirut, page 2
- * Spanish policy remains unchanged, parliament deputy speaker says, page 3
- * Foreign workers are first victims of oil slump, page 4
- * How Marcos made his billions, page 5
- * Arab Bank reports for 1985, page 6, 7 and 8
- * Commercial U.S. space venture remains stalled, page 9
- * Toyota team dominates Safari Rally, page 10
- * Oil price drops to less than \$10 a barrel, page 11
- * U.S. 'opposes' nuclear arms for Israel, India, and Pakistan, page 12

King urges Indonesian efforts to end Gulf war

Suharto pledges support for Arab causes

JAKARTA (Agencies) — His Majesty King Hussein on Tuesday called on Indonesia as the world's largest Muslim nation to play a bigger role in helping to end the Iran-Iraq war and Indonesian President Suharto pledged his country's support for all Arab causes.

The King made the call and President Suharto made the pledge in speeches they delivered at a dinner hosted by the Indonesian leader in honour of the King and Her Majesty Queen Noor who began a six-day visit to Indonesia on Tuesday.

The King urged fresh efforts to persuade Iran to end the five-and-a-half-year-old bloodshed and negotiate a peaceful settlement that would safeguard the rights of both parties.

"We are hopeful that by virtue of your standing and of being the largest Muslim state, your country will intensify its efforts to help put an end to the raging conflict that

Palestinian struggle to recover land occupied by Israel since 1967 and to uphold the legitimate rights of the Palestinians to determine their own fate.

"The history of Indonesia, which was chained by colonialism for centuries, formed a base for our attitude to defend the struggle of colonized people, including the Palestinians," he said.

The King and President Suharto were scheduled to hold talks on Wednesday, also focusing on the Middle East problem.

They also were to exchange views on ways to improve bilateral trade.

King Hussein, who will later spend a three-day holiday on the tropical island of Bali, said Jordan would open an embassy in Jakarta as soon as possible. Until now, Jordan has been represented here by its ambassador in Pakistan.

The King, who visited Brunei before arriving here, inspected a combined forces military guard of

(Continued on page 3)

Sudanese go to multi-party polls for 1st time in 18 years

KHARTOUM (Agencies) — Nearly six million Sudanese started to vote Tuesday for a constituent assembly expected to choose a new government and draft a constitution to replace the one inherited from deposed President Jaafar Numeiri.

Voting began quietly at 8 a.m. (0600 GMT) in the country's first multi-party poll for 18 years, as riot police in trucks patrolled the dusty streets of the capital as a precaution against inter-party violence.

Some 30 parties fielded over 1,000 candidates for 264 seats in the assembly. Voting is due to last 12 days.

Interim head of state General Abdul Rahman Swaredahab, who Monday night repeated his pledge to step down later this month, was among the first to cast his ballot at a polling station in the offices of the Sudanese Red Cross Society in the city centre.

Gen. Swaredahab is chairman of a transitional military council of generals who seized power from Mr. Numeiri last April 6. He set up a civilian administration and promised to restore democracy within a year.

There are 5,980,000 registered voters casting their ballots at 28,000 polling stations in all but 37 southern constituencies where war between government troops and rebel guerrillas has made vot-

ing impossible. The early turn-out was modest in central Khartoum constituencies, while in the south Khartoum seat of Al Sahafa Jabra, one of the most hotly contested, queues of up to 60 stood in line by mid-morning.

In Al Sahafa, opponents of the rightist National Islamic Front (NIF) have made a rare electoral pact in the hope of keeping NIF leader and local candidate Hassan Al Turabi out of the assembly.

Police armed with rifles looked on inside the primary school classroom where the voters received ballot papers marked only with the candidates' symbols — a tree, a hand, a gazelle, a walking stick, an African hut and an ear of corn.

After they place the paper in a ballot box sealed with red wax, the voters have a streak of indelible ink painted on their left hand to prevent double voting.

A straw poll of those waiting outside suggested the controversial Turabi, who helped Mr. Numeiri draft his Islamic legislation of September 1983, was home and dry with some 75 per cent of the vote.

Western and Sudanese observers, speaking on condition they not be identified, predicted that the new government would be a weak coalition of about five parties.

Moscow still wants full Gorbachev-Reagan summit

MOSCOW (Agencies) — The Soviet Union still wants a full summit with President Ronald Reagan in Washington despite Mikhail Gorbachev's call for an early meeting in Europe on a nuclear test ban, a senior official said on Tuesday.

First Deputy Foreign Minister Georgy Kornienko said Mr. Gorbachev's call last Saturday for Mr. Reagan to meet him to agree on a test ban in London or Rome was aimed at a specific issue.

"Mikhail Gorbachev did not mean that this meeting, if it took place, would supplant the summit meeting which had been agreed upon in Geneva and which would be a visit by Mr. Gorbachev to Washington," he told a news conference.

Mr. Gorbachev's proposal, already rejected by the White House, had cast fresh doubts on his intentions about the summit, which both leaders agreed in November to hold this year.

Mr. Kornienko said the Kremlin received no formal reply to the Gorbachev proposal through diplomatic channels and added, "we would like to hope that Mr. Reagan has not said his final word."

Mr. Kornienko repeated the Soviet view that a date for the summit could be set as soon as the United States agreed that a "con-

Peres begins talks in Washington

WASHINGTON (R) — Israeli Prime Minister Shimon Peres began a 24-hour private visit to Washington on Tuesday during which he will discuss the stalled Middle East peace process and other issues with American officials.

Peres told reporters on arrival at Andrews air force base from New York there were "some setbacks and some successes" in the search for Middle East peace but he said the search for peace momentum had to continue.

Peres said he and American officials would compare notes on Israeli efforts to "improve the quality of life" of Palestinians in the occupied West Bank and Gaza. Both Israel and the U.S. wanted to make the lives of these Palestinians "as honourable and as free as we are able to do so," he said.

Peres afterwards headed for talks with Vice-President George Bush and Secretary of State George Shultz.

Mr. Shultz was to host a lunch for Peres and members of a private sector economic task force that has been trying to help put Israel's economic house in order by boosting Israeli exports and tourism.

Regent calls on Mafrag to set up fund to finance development projects

MAFRAQ (Petra) — His Royal Highness Crown Prince Hassan, the Regent, has called on the people and officials of Mafrag Governorate to set up a social welfare fund to finance projects designed to eliminate poverty in the governorate.

Prince Hassan stressed the importance of launching small-size projects with modest cost for the sake of creating jobs and giving employment to as many people as possible.

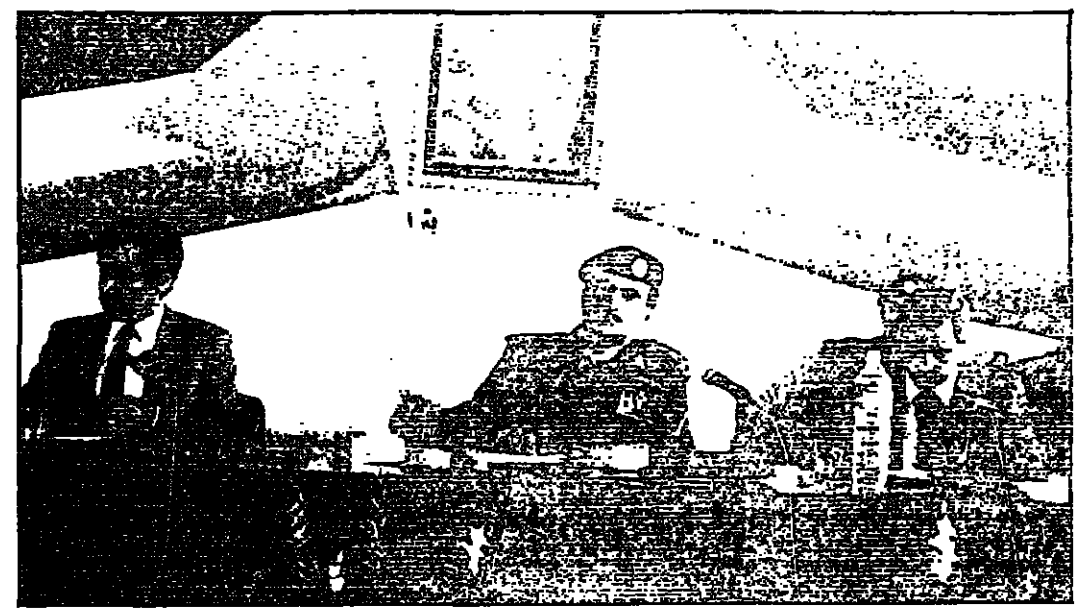
Prince Hassan was addressing a general meeting held here to discuss the governorate's five-year plan to be implemented between 1986 and 1990.

Referring to the plan the Regent said attention should be given to demographic, social and geographic factors in every developmental endeavour.

The five-year plan for Mafrag Governorate, Prince Hassan said, provides for an annual population growth of 2.5 per cent against three per cent in the previous five-year plan although the normal annual population growth in Jordan stands at 3.4 per cent, which means that the new plan envisages an emigration of people at the annual rate of 0.4 to 0.9 per cent of the population, Prince Hassan pointed out.

The plan suggests that projects during the five year period will create 3,254 new jobs, increasing at an annual rate of 3.3 per cent, and this indicates a discrepancy between increase of jobs and growth in population and workforce in the governorate, Prince Hassan said.

He urged concerned authorities to reexamine the figures given in plan, since the projects offer a real chance for the Mafrag region to attract more people over the coming five years.



His Royal Highness Crown Prince Hassan, the Regent, on Tuesday chairs a meeting in Mafrag which reviewed the 1986-1990 five-year-plan's proposals for Mafrag Governorate (Petra photo)

For offering jobs to the local population a comprehensive social and economic survey should be conducted and an integrated programme introduced, providing a chance for the reconstruction of the governorate and improving the social conditions of low-income families, Prince Hassan added.

He said he was pained to see hundreds of families receiving subsidy and aid from the social affairs authorities and many others awaiting to follow suit and remain totally dependant on the state.

Referring to investments in the coming five years, Prince Hassan said the government plans to invest a total of JD 3 billion in the country over the coming five years. This plan envisages the creation of jobs for 97,000 workers including those in Mafrag Gov-

ernorate. Prince Hassan stressed the importance of cooperation between the Mafrag authorities and the Jordan National Geographic Centre and the Land and Survey Department in a bid to launch projects for the greening of the desert.

He said it was time to start implementing the Hammad Basin project, in an area east of the country bordering on Iraq, Syria, Saudi Arabia, and he referred to the Zarqa River Basin project, which he said, will attract investments amounting to JD 4 million, especially at Rahab and Bal'ama.

Both, he said, were integrated agricultural projects benefiting the semi-desert regions in the east of the country.

Prince Hassan also spoke about the importance of the industrial

zones which, he said, help to create jobs for the local population. He called on the ministries of industry and trade and transport to make a full study on means of benefiting from these zones located on the transit routes of the Kingdom.

Mafrag Governor Fayez Al Abbadi made a speech at the meeting. He outlined the five-year plan, in which he said, a total of JD 152 million will be invested in a number of sectors. He said the social services sector will consume JD 52 million, the infrastructure JD 60 million, and the commodity production sector JD 40 million. He said a total of JD 13 million will be invested in agriculture, especially in the rain-fed regions and also in schemes for increasing

(Continued on page 3)

1986 April fool's joke

TO THOSE Jordan Times readers who bothered yesterday to call tel. nos 644978 or 642976, to inquire about a free trip to France, we say thank you, thank you. You were most kind to us by playing our April fool's joke for this year. His Excellency the French ambassador, Mr. Patrick Leclercq, promises that his government will offer a real free trip to France to someone one day, but he does not know who that person will be or when. Maybe, by next April he will. Our thanks also go to him for playing the game with us. As for those who believed that there was an "intriguing new evidence that may force a radical reconsideration of the origins of the Nabataeans," we are afraid that too was an April fool's joke. What we do know about the Nabataeans is that they originated in northern Arabia in the first millennium B.C. and that we cannot see many of them around today. Not in the same garb, anyway happy April fool's day, everyone. Keep up the good work until next April 1.

Egyptian and Israeli teams disagree on Taba arbitrators

CAIRO (AP) — Egyptian and Israeli negotiators disagreed Tuesday on the choice of international arbitrators to settle a border dispute straining bilateral relations, an Egyptian spokesman said.

The delegates met for two hours to resume talks on Taba, a one-square-kilometre Red Sea beach strip claimed by each country as its own. Israel refused to relinquish control of the area when it completed withdrawal from Sinai four years ago under the 1979 treaty between the two countries.

It was the seventh round of talks on the issue since Israel conditionally accepted Egypt's demand for international arbitration last January. The rounds have alternated between Cairo and Tel Aviv.

"During this session, the names of possible arbitrators were reviewed," Egyptian delegation spokesman Mahmoud Osman told reporters. "The two sides did not reach agreement on the names."

There was no word on who had been proposed as arbitrators. The border dispute talks, attended by U.S. representatives throughout, are aimed at drawing up an arbitration deed.

Israeli and Egyptian delegates said at the end of last week's sixth round in Tel Aviv that a major unresolved point was the phrasing of the question to be put to the arbitrators on who owns Taba.

Osman made no reference to this after Tuesday's meeting, and the question appeared to remain in dispute.

Filipino Muslim rebels say they may resume war

MANILA (Agencies) — Muslim rebel leaders said on Tuesday they might resume the guerrilla war in the southern Philippines if the Aquino government does not start peace talks before drafting a new national constitution.

"If they do not include our autonomy in the constitution what are we going to negotiate about?" said Macapantun Abbas, political and foreign affairs spokesman of the Moro National Liberation Front (MNLF).

Mr. Abbas told a press conference attended by seven other MNLF leaders: "We want the negotiations before the constitutional convention so that the agreements can be incorporated in the constitution."

President Corason Aquino, whose government invited MNLF leaders to Manila to discuss Muslim autonomy in the Mindanao region, has promised to call a convention within two months to draft a new constitution.

While the Muslim front appeared to take a tough line, another rebel movement, the National Democratic Front (NDF), on Tuesday reiterated that the Communist Party was ready to negotiate a ceasefire.

The renewal of the offer to open negotiations came in a press statement issued by the front, which includes the Communist Party and its military arm, the New People's Army (NPA).

All three made the offer jointly last week, but the government has not made any formal response.

Bodies recovered from Mexican air crash site

POMUCA, Mexico (AP) — Helicopter crews lifted bodies on Monday from the wreckage of a Mexicana Airlines jet that smashed into a mountain peak, killing all 166 people aboard. Foreign casualties included passengers from France, the United States and Canada.

The Boeing 727, en route from Mexico City to Los Angeles with stops in the Pacific resorts of Puerto Vallarta and Mazatlan, hit the 2,377-metre mountain known locally as El Carbon about 140 kilometres northwest of Mexico City shortly after takeoff on Monday morning.

The cause of the crash was not known, but the airline said the pilot had reported pressurisation problems and asked permission to lower his altitude shortly before the crash.

"Unfortunately, there are no survivors," Mexicana spokesman Fernando Martinez Cortes said of the 158 passengers and eight crew members aboard Flight 940.

In Los Angeles, Robert R. Cigler, manager of the Mexicana office there, said Monday night the doomed flight carried five U.S. citizens and two Canadians, but was unable to identify them. He earlier had said seven U.S. citizens were killed in the crash.

Also on board was Javier Larilleux, a former president of the French-Mexican Chamber of Commerce and director of the travel agency chain Wagon Lits. A party of seven under the name E. Larilleux also was on the passenger list.

Witnesses in this hamlet of 300.

people at the foot of the hills said the plane exploded "like thunder" and was already burning before it crashed.

"I heard two booms like thunder, one up and one down. I and some others, we climbed up the mountain and we were able to see only pieces of plane and a few dead thrown around here and there," said Ignacio Carrillo, who has a small farm near the site of the crash.

Helicopters began taking the bodies down to a base camp set up in a field Monday, but the recovery operation was suspended at nightfall and resumed Tuesday.

Rescue workers were looking for bodies, putting them in bags on stretchers and then climbing up 500 metres to a little ridge near the top of the peak where only one helicopter can land at a time.

Ambulances received the bodies from the helicopters and then took them on to a makeshift morgue in the nearby town of Maravatio. From there, they were to be taken to land to Moravia, the nearest city 26 kilometres to the west of the crash.

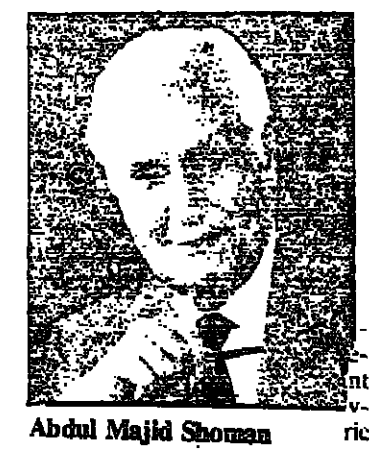
Reuter adds: An official at Mexico's Ministry of Communications and Transport said rescuers were encountering major obstacles in reaching the charred wreckage, which was partly buried under a landslide provoked by the impact.

It was the third crash in 17 years for Mexicana, the nation's leading carrier.

The previous worst air disaster in Mexico occurred in 1969 when a Mexicana plane crashed near the northern city of Monterrey killing 79 people.

Arab Bank shareholders hold 56th general assembly meeting

AMMAN (J.T.) — The Arab Bank's shareholders held a general assembly meeting at the bank's headquarters in Amman under the chairmanship of Mr. Abdul Majid Shoman, who is also the bank's chairman of the board of directors. The 56th general assembly meeting, attended by representatives of the Ministry of Industry and Trade and shareholders in all Arab countries, discussed the general budget and the final statement of accounts (See inside pages) as well as a report to the assembly by the bank's board of directors.



Abdul Majid Shoman

French truce observers pull out of Beirut's 'green line'

BEIRUT (AP) — France pulled out its 45-man team of truce observers from positions in and around Beirut Tuesday, saying they can no longer fulfil their mission of monitoring cease-fires in Lebanon's 11-year-old civil war.

The white-helmeted French observers have been killed since they deployed along Beirut's dividing "green line" and hills to east of the city in March 1983.

The sudden withdrawal of the truce force triggered speculation that it signalled a breakthrough in efforts to free some of the eight Frenchmen kidnapped by Shiite Muslim extremists in Lebanon.

But a Defence Ministry statement in Paris stressed the pull-out was not linked to the long-running hostage drama.

The withdrawal of the French amid escalating clashes between Falangists and the opposition could spark a new round of all-out civil war.

The French statement said the decision to withdraw the observers was taken because the situation had changed in Beirut and they could no longer fulfil their mission.

"These observers have accomplished for two years, at the cost of the greatest sacrifice, an efficient action appreciated by all the parties," the statement said.

"The evolution of the situation there no longer allows them to fulfil their mission as it should be. That is why it has been decided to end it."

Police said the French terminated their cease-fire monitoring operations at 8 a.m. and pulled out from all monitoring posts immediately afterwards.

A spokesman for the Observations Force, who requested anonymity, said the unit will be evacuated from Lebanon within the next few days.

"It will take some time because we will have to ship our equipment and vehicles by sea," the spokesman told the Associated Press.

The Foreign Ministry said the French naval transport *Ouagan* has been ordered to Lebanon to take off the observers and their equipment.

The French Defence Ministry spokesman said the withdrawal of the force was not linked to the French hostages held by Shiite Muslim extremists in Lebanon.

The kidnappers of a four-man French television crew in Beirut have demanded that France end all military involvement in Lebanon.

The Paris spokesman said the mission of the withdrawn force was not of a military nature, but one of observation.

That indicated that France's new right-wing government of Prime Minister Jacques Chirac will not pull out its contingent from the U.N. peace-keeping force in South Lebanon.

The French are currently rotating their 600-man battalion attached to nine-nation U.N. Interim Force in Lebanon (UNIFIL). The 5,500-strong UNIFIL has been stationed in South Lebanon as a buffer between commands and the Israeli border since 1978.

Falangist and opposition radio stations voiced fears the abrupt pullout of the French observers would help kindle a full-blown round of civil warfare.

The white-helmeted observers abandoned Beirut's two highest skyscrapers on the dividing Green Line and a hilltop position near president Amin Gemayel's government palace in suburban Baabda.

These were the three main positions from which the observers have monitored cease-fires for the last two years in the 11-year-old civil war.

The two abandoned skyscrapers are the unfinished 40-story Murr Tower on the western side of the "green line" and the 25-floor Risk Tower in Christian East Beirut. The hilltop position is at Sibayn, eight kilometres east of the capital.

The French also dismantled two checkpoints they maintained on the road-city Museum Crossing on the "green line" facing their headquarters at the Palais Des Pins.

The crew from France's Antenne-2 station was abducted in a Shiite-controlled neighbourhood of west Beirut on March 17.

The Revolutionary Justice Organisation, a previously unknown faction believed made up of Shiite extremists, claimed responsibility for the abduction.

It issued a statement on March 14 condemning France's "bottled interference." It was accompanied by photostat copies of two of the Frenchmen's identity cards.

The observers assembled at the Palais Des Pins and will wait at the headquarters and the French embassy in east Beirut until evacuation plans are complete, the spokesman said.

In addition to the French TV crew, the Shiite extremist Islamic Jihad, or Islamic holy war, organisation kidnapped four other Frenchmen in Beirut last year.

They demanded a cessation of French arms supplies to Iraq. France has shipped an estimated \$4 billion worth of weapons to Baghdad since the Gulf war began in 1980.

observer spokesman said. Police sources said the observer force would probably be evacuated by sea from the Christian port of Jounieh, 20 kilometres north of Beirut.

Beirut airport and highways leading to it are all controlled by Shiite militias.

The observer force was deployed in Beirut at the request of Mr. Gemayel's government.

That was after a multi-national force made up of U.S. Marines and troops from France, Italy and Britain withdrew from Beirut after an abortive 17-month peace-keeping effort.

The Shiite Amal militia and Druze chiefdom Walid Junblatt's Progressive Socialist Party (PSP), the main opposition factions in the civil war, approved the French deployment.

But Shiite extremists have since gained considerable strength in Lebanon. They disapprove of France's military assistance to Iraq, which is fighting predominantly Shiite Iran in the Gulf war.

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Islamic Jihad claimed it killed one of the hostages, research analyst Michel Serrati, on March 5. It produced photographs of what it claimed was his body. But so far no corpse has been found.

The state-controlled Middle East News Agency (MENA) said the shooting occurred when policemen tried to stop Rashid and three other people from putting up notices on house walls advertising a "religious discussion group" at a mosque.

It said Rashid and his companion attacked the policemen, and when one officer suffered a head wound, the other had to "fire a bullet from his pistol for intimidation." But the bullet struck Rashid, and President Hosni Mubarak ordered a special plane to take him to Cairo, MENA said.

The witness said Sheikh Omar Abdul Rahman, a former theology professor and mosque preacher in Assiut, went to the mosque to "soothe the students' ruffled tempers" after he met with Assiut Governor Sami Khodeir.

Assiut, a provincial capital, is about 380 kilometres south of Cairo. The mosque where the sit-in was held is beside Assiut University, and the witness said large security forces were deployed there and in other parts of the city after the incident.

Sheikh Abdul Rahman, who is blind, was among 24 defendants tried for the assassination of President Anwar Sadat by Muslim extremists during a military parade in Cairo on Oct. 6, 1981. He also was among 300 defendants tried later for an abortive attempt to overthrow the government after Sadat's slaying.

Both the assassination and the coup attempt were blamed on the Jihad, or holy war, an underground fundamentalist organisation. Sheikh Abdul Rahman was accused of being Jihad's spiritual leader but was acquitted in both cases.

Assiut witnessed two days of bloody riots immediately after Sadat's assassination. Religious fervour runs high among university students there.

The Islamic Student Association won control of the student government at Assiut University last year despite attempts by authorities to remove fundamentalists from candidate lists.

Several Beirut newspapers reported Mr. Gemayel had also conferred in Vienna with Salah Khalaf, PLO leader Yasser Arafat's chief aide who goes under the name of Abu Iyad.

Mr. Gemayel, 44, is being pressured to resign by Syrian-backed opponents.

Mr. Yasser Arafat's leadership of the PLO. In Prague last week, a PLO statement to the Czechoslovak Communist Party Congress called for the resumption of good PLO ties with Syria in the fight against Israel.

The Palestinian News Agency Wafa reported from Tunis, meanwhile, that Moscow had reaffirmed its support for Mr. Arafat's leadership and for the creation of an independent Palestinian state.

The support was expressed by Soviet Ambassador Vsevolod Kizichenko after talks with the PLO representative in Tunis, it said.

Salzburg, Austria (AP) — President Amin Gemayel left Tuesday after a four-day private visit, police said.

A police official who asked for anonymity said Mr. Gemayel departed on a private jet from Salzburg Airport for an unknown destination.

The official said Mr. Gemayel met with Bavarian Governor Franz Josef Strauss here, and the

two discussed the Middle East. But the governor's office in Munich said there was no such meeting.

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Egyptian students protest Assiut shooting

ASSIUT, Egypt (AP) — Hundreds of university students staged a daylong sit-in at a mosque in this southern city to protest the shooting of a student by a policeman, a witness said Tuesday.

The sit-in ended without incident at midnight Monday (2200 GMT) after a Muslim fundamentalist preacher, who was tried for alleged antistate activity and acquitted twice in recent years, urged the protesters to remain calm, the witness said.

He spoke on condition he not be identified.

The witness said the sit-in by about 500 Assiut University students began a few hours after a policeman shot in the head Shaban Abdul Rahman Rashid, a student at the university's school of commerce. Rashid underwent surgery in a military hospital in Cairo.

The state-controlled Middle East News Agency (MENA) said the shooting occurred when policemen tried to stop Rashid and three other people from putting up notices on house walls advertising a "religious discussion group" at a mosque.

It said Rashid and his companion attacked the policemen, and when one officer suffered a head wound, the other had to "fire a bullet from his pistol for intimidation." But the bullet struck Rashid, and President Hosni Mubarak ordered a special plane to take him to Cairo, MENA said.

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Gulf foes fight 'battle of the pumps'

BAGHDAD (R) — Iraqi and Iranian troops are fighting a water-pumping battle for control of strategic salt and mud flats on southern Iraq's Fao Peninsula.

An Iraqi general told reporters his men were pumping water out of the Mamlaha Flats to allow tanks to advance on Fao, a disputed oil port held by Iranian forces since mid-February.

Diplomats in Baghdad said Iranian troops, for their part, were pumping water into the Mamlaha from the northern Gulf and the Shatt Al Arab waterway. Heavy spring rain and tidal waters were also adding large quantities of water to the flats.

The 30-square-kilometre Mamlaha, a natural mud and water barrier, and bad weather conditions have been major obstacles hindering Iraq's advance on Fao, officials say.

Iraq has issued no official report on the progress of its counter-attack for some time, though it said last month its forward troops were about 12 kilometres from the port.

Mergers of the southern and central columns followed the recapture of two positions north east of Fao, which gave the Iraqi tank force some freedom of movement to the south.

Army officers told Reuters during visits to the southern front of the 5½-year Gulf war that Iraqi forces outnumbered the four or five Iranian Revolutionary Guard divisions stationed at Fao.

But the officers said they would not move their infantry units forward until tanks and other armour were assured of free and effective movement to minimise casualties.

"We will wait for a long time for the hot summer sun to dry the Mamlaha and other soft, muddy terrain before we launch our major attack to liberate Fao once and for all," said a senior officer, who asked not to be named.

Diplomats said Iraq was training special forces for the final thrust on Fao.

Iraqi Mamlaha mud and water problem include the shifting of large amounts of earth, sand and gravel with fleets of trucks and excavators to expand two main roads linking Fao with Basra, 102 kilometres to the north.

Shmuel Goren, Israel's West Bank coordinator, returned Monday from a two-week visit to the United States to raise funds for a \$500 million programme to develop the area, according to an official in Goren's office who demanded anonymity.

A U.S. official who demanded anonymity said Washington provided nearly half of the \$75 million annual budget for the United Nations Relief and Works Agency for Palestine Refugees (UNRWA). It oversees 29 refugee camps with a total population of 300,000 in the West Bank and Gaza.

The United States, which is providing nearly \$4 billion in economic and military aid to Israel this year, has allocated \$14 million to four private relief agencies to develop agriculture, water, education and other projects.

In the past year, the U.S. official said Israel vetoed eight proposed projects, but he said the government had been significantly more flexible in approving plans.

Peres praises U.S. action in Libya

In New York, Peres said the U.S. military action in the Gulf of Sirte will help prevent Libya from "becoming a springboard for all violence."

Peres made his remarks Monday to a gathering of the United Jewish Appeal a few hours after arriving in the United States.

"The United States had the courage to face a danger which is growing in size, a new dimension in the aggressiveness and violence... and that is international terrorism," Peres told the gathering.

"Without any hesitation, I believe that what the United States did close to the shores of Libya was right, timely and the only way to meet the threats of a terrible man and a dangerous country," he said.

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Tunisia frees 34 Britons, Norwegians after arrest

TUNIS (R) — A 34-strong British and Norwegian crew of a salvage vessel seized by Tunisian authorities two weeks ago were released after payment of a 50,000-dinar (\$45,000) fine, a spokesman for the ship's owners said.

The 20 Norwegians and 14 Britons, who were held on board the DSV Wilkraf, after it was seized on March 17, had been trying to

salvage an estimated 600 tonnes of tin from a wreck off the Tunisian coast, the spokesman told Reuters.

Tunisian authorities, who boarded the ship and found explosives to be used in the salvage operation, ordered it to dock at the northern port of Bizerte. Perje Reiseren, spokesman for Norwegian owners Anders Wilhelmson and Company of Oslo said.

The Post said the White House tried to send another emissary in December to continue contingency planning but that the Egyptians put off the visit amid strains over the hijacking of the cruise ship Achille Lauro.

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PLO-Syria reconciliation 'not feasible at present'

DUBAI (R) — A senior Palestine Liberation Organisation (PLO) official said in remarks published Tuesday that PLO reconciliation with Syria was not practical at present.

PLO Political Department head Farouk Kaddoumi, in a statement to Al Bayan newspaper, described as "rumours" reports from Tunis that a high-level PLO delegation was due in Syria soon for reconciliation talks.

"The path of reconciliation with Syria is not practical at the present time," he said.

Ties with Syria have been strained because of differences over

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Gemayel ends Austrian visit

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NEWS IN BRIEF

Decree approves judicial appointments

AMMAN (J.T.) — A Royal Decree has approved the appointment of Mr. Najeeb Rashdan as first judge of the Supreme Court to succeed Judge Musa Al Saket who retired a month ago, according to a report in Al Dustour Arabic daily newspaper. According to the decision, which was recommended by the Judiciary Council, Judge Abdul Rahman Al Rusheidat has been appointed second judge of the Supreme Court, a post previously held by Judge Rashdan.

Senate to convene today

AMMAN (J.T.) — The Upper House of Parliament will hold a meeting Wednesday under the chairmanship of its Speaker Ahmad Al Lawzi and a source in the Senate said that members will review the electoral law as endorsed last Thursday by the Lower House of Parliament. Also on the agenda are draft amendments to the conscript law and laws on roads and the management of state-owned land. These amendments are expected to be referred to the House's various committees, the source added.

Government supports local presses

AMMAN (Petra) — Acting Prime Minister and Minister of Education Abdul Wahab Al Majali Tuesday issued a directive restricting government institutions and departments to printing literature at local printing presses. The new directive, which is in line with the government's policy to support local economic enterprises, said that Jordanian printing presses are on equal footing with foreign presses.

Seminars discuss cropping patterns, pests

IRBID (Petra) — A seminar on cropping patterns was held Tuesday at the Department of Agriculture in Irbid. The seminar focused on measures taken by the Ministry of Agriculture to apply cropping patterns on land under irrigation lands. The Department of Agriculture in Irbid held another seminar in the town of Zahar on means to combat agricultural pests. The two seminars were attended by a number of agricultural engineers from the Ministry of Agriculture and farmers in the area.

A new look at rocks

AMMAN (J.T.) — Layla Haddad will hold her second exhibition of bronze sculptures in her studio in the Rabieh district from April 4-11. The exhibition, entitled "Rocks from the Provence," uses rocks as the original material for the sculptures. Inspired by their peculiar structure and suggestive shape, Miss Haddad experimented with rocks by applying clay to bring out forms and faces and then cast them in bronze. This work was done during an artists' residency programme in France last summer. The collection was exhibited in France.

Art exhibition opens at Petra Gallery

AMMAN (J.T.) — A nine day art exhibition by Ghada Dahdaleh was opened at Petra Bank Gallery in Amman on Tuesday under the patronage of Mr. Michel Hamarneh, under secretary of the Ministry of Information, Culture, Tourism and Antiquities. Several invited guests and art lovers were present at the opening ceremony. The exhibition ends on April 9.

JEA reviews auditing procedures

AMMAN (Petra) — A seminar on internal auditing opened Tuesday at the Jordan Electricity Authority (JEA) with a view to improve auditing activities within the authority and to study the latest and most up-to-date methods in auditing. The authority will coordinate with other government departments in the seminar in order to keep abreast with the latest developments in auditing.



Minister of Higher Education Nassereddin Al Assad on Tuesday opens a new building for the Zarqa Community College (Petra photo)

JPMC issues production, export figures

AMMAN (Petra) — A total of 530,000 tonnes was the overall production figure for the Jordan Phosphate Mines Company (JPMC) during March 1986, compared with 490,000 tonnes during the same month of 1985.

JPMC sources said that the Al Hassa and Al Abiad mines produced 1,460,000 tonnes of phosphates during the first three months of 1986. Phosphates produced during the same period of 1985 amounted to 1,500,000 tonnes extracted from the three mines of Al Hassa, Al Abiad and Rus-eif.

Overall exports of the JPMC during March increased by 42 per cent reaching about 532,000 tonnes whereas exports during the same month of 1985 registered 376,000 tonnes, the source said.

The source added that overall exports in the first quarter of the current year increased by 22 per cent, reaching 1,056,000 tonnes compared with 1,056,000 tonnes in the same period of 1985.

The source said that purchases of phosphates by the Aqaba-based Jordan Fertiliser Industries Company (JFIC) stood at 92,000 tonnes for March 1986 compared with 84,000 tonnes during the same month in 1985 — an increase of 10 per cent.

Regarding JFIC purchases, the source said the company bought 247,000 tonnes in the first quarter of 1986 compared with 235,000 tonnes in the same period of the previous year, registering an increase of five per cent.

Assad opens new building for Zarqa community college

ZARQA (Petra) — Minister of Higher Education Nassereddin Al Assad Tuesday opened a new building for the government community college in Zarqa and said that he hopes another college will be opened soon in Zarqa Governorate to serve as a nucleus for an independent university which could cope with the growing demand for higher education in the densely populated governorate.

The inauguration ceremony was addressed by the college's director who welcomed the minister and voiced appreciation to Zarqa Municipality, the Zarqa Development Corporation and the city's chamber of commerce for offering support and help to the college.

Referring to the development of the college, he said that it was first established in 1978 as a commercial institute before becoming a community college. In 1981 it was enlarged to offer education to male and female students in a variety of specialisations, including commerce, he added.

The new college building, he said, cost JD 4.5 million and can accommodate 1,000 students to be trained in 20 classrooms and 18 laboratories. Among the college's facilities is a large library which can seat 900 students and a sports hall, he said.

Several officials and heads of local government departments were among those attending the inauguration ceremony.

Authorities take steps to reduce accidents on Amman-Aqaba Highway

AQABA (Petra) — Concerned authorities in Aqaba Tuesday issued a number of recommendations in a bid to reduce the number of road accidents on the Aqaba-Amman Highway.

The recommendations were issued following a special meeting presided over by Aqaba District Governor Khalil Kharisat and attended by Aqaba Police Director Colonel Ghaleb Zu'bi and trucking companies which transport flammable loads along the highway.

One of the recommendations suggested reopening the main lorry station at Qeira on the road to Amman within ten days of the meeting. The service station will be charged with carrying out maintenance on trucks and lorries carrying heavy fuel from Iraq. The recommendation also stated that all the concerned companies must operate their fuel tankers on the

old Aqaba-Amman road when repair work has been completed on the road.

Another lorry station will be set up at another point on the road and here drivers will be able to rest or carry out repairs. At this station, traffic police will be responsible for organising the movement of fuel tankers in convoys provided that a convoy does not comprise more than 14 tankers, the recommendations said.

All transport companies were also given directives to abide by safety and maintenance rules and traffic regulations when operating their fuel tankers. The firms should also employ qualified and reliable drivers who are acquainted with the roads in the area, the meeting decided.

Companies were also requested to give up the practice of offering bonuses to drivers if they make more trips.

Petra holds writing course for moral guidance officers

AMMAN (Petra) — A group of officers from the Jordanian Armed Forces Moral Guidance Department have begun a course at the Jordanian News Agency, Petra, to get acquainted with writing items of news, analysis and the coverage of local events.

The 12 officers taking part in the two-week course were addressed by Petra Director Jawad Maraga at the opening session on Tuesday. He said that both Petra and the Moral Guidance Department have similar tasks to fulfil, as both are part of the country's

general information system and responsible for enlightening the public about current events.

Also speaking at the meeting was the department's director, Brigadier Adnan Al Kailani, who underlined the importance of maintaining very strong relationships between the information section of the country as he said they all have the same objectives. Brig. Kailani also voiced appreciation to Petra for offering facilities to the army officers and its round the clock news service to the country.

Arab universities participate in seminar on linguistics

IRBID (Petra) — A three-day symposium on linguistics opened at Yarmouk University Tuesday and the working papers are being reviewed by delegates from universities and higher institutes around the Arab World.

Addressing the opening session was Yarmouk University President Adnan Badran who said that the symposium was in line with the university's line of interest and philosophy designed to promote education and to serve the local community. Also speaking

was Dr. Ali Zaghaf, dean of the Faculty of Humanities and Arts, who said that the symposium falls within the university's week of cultural events and exhibitions.

Delegates from the universities of Bir Zeit and Najah on the occupied West Bank, Damascus, the United Arab Emirates, Bahrain, Yarmouk, the American University of Beirut and the American University of Cairo as well as the international languages institute in Khartoum are taking part in the symposium.

Spanish policy on Arab issues unchanged — parliamentarian

Visiting delegation reiterates Spain's commitment to maintain close links with Arab countries

By Rana Sabbagh
Jordan Times Staff Reporter

AMMAN — First Deputy Speaker of the Spanish Lower House of Parliament (Congreso De Los Diputados) Leopoldo Torres Boursault said Tuesday that his country's Jan. 1 entry to the European Community (EC) will strengthen Spain's hand in defending the Arab World's interests.

"I am sure that the Arab countries' interests are better preserved with Spain inside the EC than with Spain outside the 10 member European group," said Mr. Torres Boursault, who is heading a Spanish delegation currently on a week-long visit to Jordan.

Spain is in a better position to push forward all peace formulas adopted by the EC vis-a-vis the Middle East situation in general and the Arab-Israeli conflict in particular, Mr. Torres Boursault, a Socialist and representative of Spain's northern constituency of Guadalajara told the Jordan Times in an interview.

Last month EC foreign ministers met in the Hague and a statement issued at the end of their meeting said that EC efforts to mediate a peaceful resolution to the Middle East conflict would be "low-key but effective."

Commenting on the EC statement, Mr. Torres Boursault said: "All international political forces are seeking ways of reaching a peaceful settlement to the Middle East conflict." However, he believes that any peaceful and negotiated procedures which could lead to a final solution to the Middle East problem should be adopted.

The Spanish Socialist government of Prime Minister Felipe Gonzalez which announced the establishment of diplomatic ties with Israel on Jan. 17, recently said that it was granting diplomatic status to the Palestine Liberation Organisation (PLO) office in Madrid. "This week, the cabinet will discuss the conditions to give the PLO a better diplomatic status," Mr. Torres Boursault said.

Diplomatic ties with Israel

Mr. Torres Boursault said that Spain's establishment of diplomatic relations with Israel would not affect his country's stand regarding the Arab World and the Palestine question. "Our very old secular relations with and our position on the Arab World will remain the same," he said.

He also reiterated Spain's

commitment to the unilateral declaration his country issued when Spain signed the agreement to establish diplomatic ties with Israel. The declaration said that Spain would retain close links with the Arab World and it called for the recognition of Palestinian rights in a peaceful settlement. It also called for talks under international auspices with the participation of the PLO as the sole legitimate representative of the Palestinian people.

He said that the establishment of ties with Israel was only "a formal move which will not change Spain's traditional policy towards the Arab countries" and added that it is Spain's general policy to establish diplomatic ties with all countries in the globe, sometimes to the detriment of its own immediate national interests.

Mr. Torres Boursault described the Arab-Israeli conflict "very complicated" and he said that time has proved that the problem is not very easy to solve. "Even if the PLO recognises U.N. Security Council Resolution 242, the problem will not be solved. The recognition will be a basis for negotiations to solve the Palestine problem," he added.

Mr. Torres Boursault suggested that Arab countries should resolve their disputes and formulate "a realistic and collective stand" on the Palestine problem to pave the way for an Arab accord on the issue prior to any international steps to resolve the problem.

The Spanish delegation, which includes members of the Congreso De Los Diputados, parliament senators, senior journalists and representatives of the industrial and business sectors, arrived here Sunday evening on a fact-finding mission. They met with His Royal Highness Crown Prince Hassan, the Regent, and the ministers of foreign affairs, information and occupied territories affairs. They also visited the Baqa'a refugee camp which has an estimated population of 60,000 Palestinians.

"We are hoping for opportunities which will guarantee future investment opportunities, trade exchanges, tourism and cultural

natural exchanges as well as increasing the existing cooperation between Spain and Jordan," Mr. Torres Boursault said.

Fayez meets delegation

On Tuesday morning, Lower House of Parliament Speaker Akel Al Fayez met with the Spanish delegation. Mr. Fayez explained to his Spanish guests Jordan's efforts to push forward the Middle East peace process in order to reach a comprehensive and just settlement to the Palestine problem as well as to guarantee the Palestinian peoples rights in their land.

Mr. Fayez reiterated Jordan's call for an international peace conference to resolve the Palestine problem with the participation of the five permanent U.N. Security Council members and all other parties involved in the conflict, including the PLO.

The speaker also discussed the Israeli occupation authority's policies in the occupied West Bank and called these actions illegal and inhuman as they aim at Judaizing Arab land and evicting the Arab population. He also called on all peace loving countries to impose economic, military and political boycotts on Iran so that it would respond to peace calls to end the Iran-Iraq war.

Mr. Fayez also praised the existing ties between Spain and Jordan and lauded Spain's strong stand for Arab rights on all international platforms. The meeting was attended by a number of Jordanian deputies and Spain's Ambassador to Jordan Emilio Menendez Del Valle.

Members of the Spanish delegation were also received by Amman Chamber of Trade Director General Mohammad Al Tiji. Mr. Tiji told the Jordanian News Agency, Petra, that both sides discussed prospects of increasing bilateral cooperation in the fields of economy and trade through establishing joint projects. Mr. Tiji said that he and the Spanish team discussed the possibilities of increasing the volume of Jordanian exports to Spain.

Petra said that the Spanish side showed keen interest in establishing joint industrial projects with Jordan due to the regional importance of the Kingdom as a centre for pan-Arab trade and services. The visiting team will visit Petra and Aqaba on Wednesday and will return to Amman Thursday evening before leaving for Spain on Saturday.

New complex for handicapped underway

AQABA (Petra) — The government has assigned a plot of land near Al Hussein Youth City in Amman to set up a complex with facilities for sports, general education and rehabilitation for handicapped people in Jordan.

Chief Chamberlain Prince Ra'd Ibn Zaid announced during a visit to Aqaba on Tuesday.

Speaking during an inspection visit to a local centre for the re-

habilitation of the handicapped, Prince Ra'd said that several buildings have already been erected at the site along with indoor halls and he added that work is underway to complete the project.

Prince Ra'd, who is president of the Jordanian Sports Federation for the Handicapped, said that the government is studying a plan under which the handicapped would be offered training to ab-

orb them in society which would benefit both the handicapped and their community.

Prince Ra'd inspected the local Al Thaghr centre for the handicapped and was briefed on its activities and services. Later Prince Ra'd chaired a meeting at the Aqaba Region Authority headquarters to discuss subjects of concern to the handicapped.

King urges Indonesian efforts

(Continued from page 1)

honour as a 21-gun salute boomed over Jakarta's Halim airport as he arrived.

The King paid a courtesy call on President Suharto shortly after arrival.

Shortly after arrival here on Tuesday, the King and Queen called at the governor's house and were accorded an official and popular welcome ceremony. Local Indonesian folk troupes

presented a performance of national dances.

The governor made a speech welcoming the King and Queen and reviewed the development of Indonesia.

King Hussein replied with a brief speech expressing appreciation for the enthusiastic welcome accorded to him and the Queen and said he was deeply impressed by the hospitality, and was honoured to feel at home

among the Indonesian people who are linked by Islam with the Arabs and the rest of the Islamic World. King Hussein said Jordan was determined to bolster its relations with the Indonesian people.

King Hussein and Queen Noor are accompanied by Prime Minister Zaid Rifai, Chief of the Royal Court Marwan Al Qasem, Minister of Industry and Trade Rajai Muasher, and Minister of Energy and Mineral Resources Hisham Al Khatib.

Regent calls for Mafrq welfare fund

(Continued from page 1)

inhabited by 94,000 people and groups 76 settlements, and the new plan provides for projects benefiting them all. A total of JD 13 million will be invested in education for building schools in all settlements and JD 4 million will be invested in housing units, Mr. Mahasneh said.

He said water and irrigation projects will require JD 7.5 million and a wastewater treatment plant and new water system are also envisaged in the five year plan.

He said JD 4.5 million will be invested in mining and the building of a vegetable processing plant and a dairy product factory.

The plan provides for promoting the role of women to increase family income and projects will be carried out to train housewives in handicrafts, Mr. Abbadi said.

Another speaker at Tuesday's meeting was Mr. Khalaf Mahasneh, head of development projects in Mafrq Governorate. Mr. Mahasneh said the governorate is

region which groups 73 population settlements, divided into eight main units for carrying out development projects. The five-year plan, he said, envisages carrying out the Hammad Basin project in conjunction with Syria, Iraq and Saudi Arabia and JD 3 million have been allocated for the Jordanian part side of the project.

He said a total of JD 7 million have been allocated for building dams and exploiting underground water and improving water networks.

Following the speeches Minister of Planning Abdullah Nsour said Mafrq Governorate is inhabited by 3.5 per cent of the total Jordanian population, though he said, the arable land is estimated at 1.4 million dunums of which one quarter is only cultivated.

Dr. Nsour also said more investments should be made in electricity because nearly 27 per cent of the total people of Mafrq governorate are without electric power.

Using your senses at the theatre

By Sana Atiyeh
Special to the Jordan Times

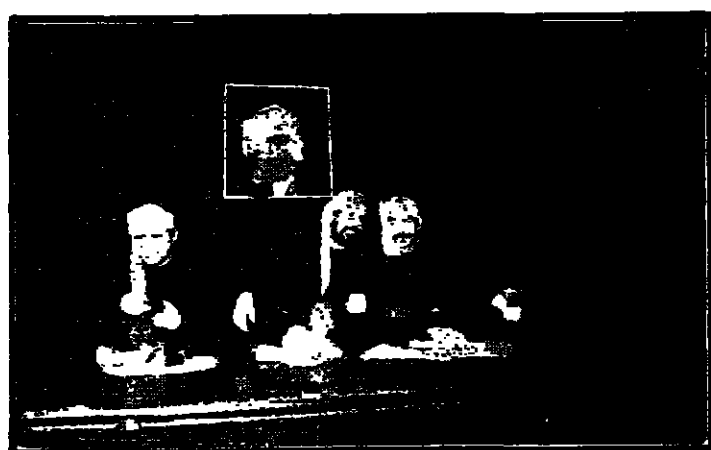
AMMAN — On the occasion of World Theatre Day, the Jordan Artists Association opened a play on March 27 at the Late Osama Mashini Theatre in Jabal Lweidh. Although the theatre was not completely full, those who were present were glued to their seats for an hour and a half, amazed and fascinated by the modern, abstract and horrifying performance of "A Popular Tale Called the Evenings of Once Upon a Time." The play, written and directed by Mr. Khaled Tarifi, will perform until April 10.

As members of the audience enter the theatre, a person dressed in black and with his or her face hidden, presents everyone with a paper box containing information about the play and raisins. The person in black also presents a white or blue paper flower, according to choice. This is one of the methods used by the performers to make the audience participate and become part of the play. One side of the box contains a short, popular tale and raisins are a popular Arab food. As for the white and blue flowers, the viewers find out the symbolic meaning of each colour during the play. Another way in which the audience become involved is when some of the cast act as children and ask the storyteller for candy, and a person approaches the children in the audience to give them sweets.

The acting actually starts several minutes before the story of the play is told. Faceless corpses walk on the stage and begin silent conversations with all their movements done in slow motion. As the National Anthem begins, the performers freeze until it is over and then begins the story of the popular tales told to Tom Thumb.

Sounds, symbolism

This play is distinguished from the usual plays seen in Jordan in several ways. The ten actors and actresses themselves make the sound effects. When it is night, they make sounds of crickets and wind blowing in the trees. In the morning, they clap their gloved hands making the sound of flying pigeons, whistle like the birds and even make the sound of a barking



Riddles and tales — scene from "A Popular Tale Called the Evenings of Once Upon a Time"

dog. They also make their own music. There is no scenery — some actors stand as trees. The lighting is very dim, but there are candles and torches used almost throughout the play. There are also many puppets and the presence of ritual and colour symbolism is very strong. With all these techniques, Mr. Tarifi's artists are able to literally terrify the audience and make them feel as if they, for example, are lost in the dark forest in the middle of the night. But serious as this may all sound, there was also a touch of humour present throughout "A Popular Tale."

Generally, most of the audience did not understand the tale, except for a few old ladies who heard these tales when they were children and then told them to their children. Mr. Tarifi said: "The play is simply a popular tale made into modern theatre. My mother and grandmother used to tell me these old stories." Mrs. Nadara Tarifi, the director's wife and an actress in the play said: "The tale is done in a complicated way, and the audience must concentrate hard on every word and every movement to understand it."

Views from the audience

However, members of the audience who did not understand the tale still enjoyed the play. Mr. Hussein Jabbarini, a graduate student at Yarmouk University, said: "I love this work of theatre; it is new and Mr. Tarifi's work has always intrigued me. I especially like the methods used for audience participation. It is absolutely

dynamic, and I'm anxious to see the play again."

One viewer, Mr. Nabil Mashini, who is a Jordanian actor and director of the Jordan Artists Association, commented: "This is the kind of theatre I like to see in Jordan. Although the play, in my opinion, is a bit slow in some scenes and could be done with a quicker pace, it is an excellent effort. The imagination of the director's fantasy is so fantastic that it takes an audience by surprise."

Another member of the audience who preferred anonymity commented: "Although I have seen similar theatre in Europe, this type of theatre is rarely found in Jordan. If we have such talent and imagination here, it should be encouraged by audiences and the concerned authorities."

Five senses

Egyptian Professor Abdel Rahman Amous, professor of theatre at Yarmouk University and who taught theatre to Mr. Tarifi in Cairo, is very impressed with his former student's play. He told the Jordan Times: "Khaled makes the audience use all their five senses. He makes us see, he makes us hear his special sound effects, he makes us smell by burning incense, raisins and sweets are given to eat and there is touch by the storyteller as he walks between the aisles. Also Khaled really respects the intelligence of the audience by expecting us to understand the tale. I'm very proud to see this work of art in Jordan."

How Marcos made his billions

By Miguel C. Suarez
The Associated Press

MANILA, Philippines — For years many Filipinos suspected Ferdinand E. Marcos was robbing them. Since Marcos fled three weeks ago, former officials and opposition figures have claimed that he did so methodically and on a grand scale.

With nearly absolute power from the time he proclaimed martial law in 1972, Marcos not only had full control of the military and the government but also of business and the country's official treasury.

Officials in the new government of President Corason Aquino, as well as in the deposed Marcos regime, have alleged several ways by which the ex-president, his family and his associates amassed wealth and stashed it abroad during his 20-year rule.

Many former Marcos colleagues, including close confidant Blas Ople, his labour minister, say they feel "betrayed" by the mounting evidence.

The allegations include bribetaking, kickbacks, forming monopolies for favoured friends, cornering government loans and contracts, overpricing goods, diverting funds from government-controlled casinos, taking over businesses by presidential decree, levying taxes never subjected to audit and outright theft of government property.

Members of a commission assigned to find means of recovering the money and investments still don't know how much they are looking for, but the initial estimates range from \$5 billion to 10 billion.

Marcos never admitted any wrongdoing during his presidency and often told interviewers he became poorer as president because he had to put all of his previous wealth, earned as a corporate lawyer, into a trust called

the Marcos Foundation. Attempts after Marcos left to locate the foundation or officials running it proved fruitless. People identified with Marcos say they knew nothing about it.

Teofisto Guingona, the new government auditor, last week asserted that Manila Airport manager Luis Tabuena withdrew 55 million pesos (\$2.7 million) from airport revenues in January, saying he was going to pay a construction company. The company never got the money.

Tabuena, well-known for his ties to the Marcoses, acknowledged the following day he withdrew the cash but said he did so under orders from Marcos and that he turned over the money to the ex-president's secretary.

Officials of the new government say they believe the money was used to finance Marcos' campaign for the Feb. 7 presidential election. But they say that most of the other missing funds are now stashed abroad, in Swiss bank accounts and in real estate and other properties in the United States.

Government auditors say they have discovered that the Marcos government also diverted interest on U.S. aid money and used it for still unknown purposes last January.

Auditor Edward Sanchez said newly discovered documents show that the council administering the so-called Economic Support Fund, part of U.S. compensation for the use of military bases in the Philippines, had opened a "confidential account" of 125 million pesos (\$6.3 million) in interest from the fund.

The council's executive director withdrew 35 million pesos (\$1.8 million) from the account last January, saying in the vouchers that he was doing so "per instruction from the president," Sanchez said.

He said the director eventually returned 13 million pesos

(\$650,000) but never explained where the rest went.

Mrs. Marcos headed the council, which worked jointly with the U.S. Agency for International Development in overseeing the fund supplied by the United States with \$459.6 million since 1980.

A U.S. aid official, who asked not to be identified, said U.S. authorities had uncovered no anomalies in the way the Marcos government used the economic support fund but acknowledged that records unearthed since Marcos fled the country could reveal irregularities.

Mary Concepcion Bautista, a member of the Presidential Commission on Good Government, said papers found in Malacanang Palace after the Marcoses left tie them to U.S. properties they had denied owning.

"With these documents, we will have no problem linking Marcos to the properties in New York and New Jersey," Ms. Bautista said.

The commission's chairman, former Sen. Jovito Salonga, is in the United States trying to prove ownership of the properties and to recover them for the Philippine government, which had earlier obtained a court injunction preventing their sale.

Officials of government lending institutions say Marcos, his wife, their relatives and business associates drained Philippine financial institutions.

An official of the Development Bank of the Philippines (DBP), speaking on condition of anonymity, said that of the 64.8 billion pesos (\$3.2 billion) lent by the bank, 59.5 billion pesos (\$2.9 billion) make up what the bank now calls "distressed political accounts," — meaning bad debts.

The official cited the case of Phil-Asia Food Industries Corp., run by Roberto Benedicto, a Marcos party leader known to most Filipinos as the "sugar czar" be-

cause he headed the sugar monopoly and other businesses.

DBP poured 874 million pesos (\$43.7 million) into a Phil-Asia plant Marcos himself inaugurated several years ago, saying it would process soy beans into cheap, high-protein food. But nobody planted the soy beans.

The official said DBP is now under pressure from the government to foreclose on the plant but has found out the company's assets are worth only 269 million pesos (\$13.4 million).

He said the plant was obviously overpriced and that the rest of the loan must have ended up in someone's pocket. There is no proof, however, that the money went to Marcos.

Phil-Asia spokesman Alan Mauricio said, "There is nothing anomalous in any of the transactions done by the company." In a telephone interview, he said the figures given by the bank on Phil-Asia's debt and its net worth were incorrect, but he declined to elaborate.

The source said DBP officials, like those of the Philippine National Bank, were compiling documents on loans to scores of companies identified with the Marcoses to turn over to the Presidential Commission on Good Government, which has frozen bank accounts of the Marcoses and their associates.

Officials also suspect much of the hidden wealth came from monopolies in the trading of coconut and sugar, two of the Philippines' major export commodities.

Both monopolies ran on millions of pesos in levies paid by farmers. Their profits, like those of the Philippine National Oil Company and more than 20 companies under Mrs. Marcos' Human Settlements Ministry, were never audited, said auditor Guingona.

China cracks down on corruption

Chinese leaders are disappointed that recent liberalisation has led to the Western disease of corruption in high places. So now, says Robert Thomson, the government is employing the motto "Kill one to teach 100."

PEKING — Employing the motto "kill one to teach 100," the Chinese government has turned to the death penalty — generally a bullet in the back of the head — in its intensified campaign to eradicate corruption.

The spread of corruption has been a bitter disappointment for the pragmatic Chinese leaders. They have relaxed central financial controls and given more decision-making power to local officials only to see some turn the reforms to their own advantage and line their own pockets.

The Chinese leadership has conceded that such depravity in high places — including fraud, illegal currency speculation, bribery, tax evasion, and several other deadly economic sins — has "seriously damaged the prestige of the party and the government among the people."

"Six glaring malpractices" have been given much publicity by the Chinese press: rushing to buy foreign cars, sending unnecessary delegations on business trips, visiting tourist attractions at public expense, throwing lavish banquets, demanding rewards for routine services, and giving relatives an illegal helping hand in business ventures.

Corruption has hit the economic reforms on three fronts: it has tarnished the image of those policies, it has provided political ammunition for leading conservatives who think the reforms have gone too far too soon, and it has led to economic losses measured in billions of dollars.

On most days the Chinese media has carried stories of corruption and economic crime. At a mass trial of 30 offenders recently, two men were sentenced to death in Shanghai for having illegally sold industrial materials. Two police officers and a customs official were given prison terms ranging from five to seven years for taking bribes and illegal business dealings. The saturation media coverage has elevated the status of corruption, highlighted its pervasiveness, and linked corruption with reform in the minds of the masses.

Corruption has been an inevitable side-effect of liberalising a creaking economic structure long greased by "guanxi" (con-

nections) and "zouhoumen" (the back door). A foreign analyst here notes that the government has relaxed administrative controls without having a large enough force of skilled auditors and accountants to monitor the faster ebb and flow of money. Their absence is an obvious temptation for cadres (officials) with, as the government calls them, "unhealthy tendencies."

Just how many senior cadres are abusing their privileges is difficult to gauge. The Chinese premier, Zhao Ziyang, said the government can afford to mount a large-scale crackdown because there are few offenders and it will be seen to be clean. But diplomats question the need for an extensive operation if the problem is not widespread.

The government has already taken back some of the autonomy granted to local officials. If corruption continues to blossom in the openings provided by reform, even tighter central controls are likely, splintering a main plank of the reform programme.

A few weeks ago, 23 Peking municipal government officials were jailed for various offences, among them bribery and fraud. The most prominent of the imprisoned cadres was a 64-year-old revolutionary veteran, Yin Zhi-nong, who had been deputy manager of Peking's Capital Iron and Steel works.

Mr. Yin allegedly placed orders for 200 tonnes of rolled wire for a rod welding factory in Chongqing. Then, in collusion with a Chongqing cadre, he resold 50 tonnes of the wire for an 8,000 yuan (\$2,500) profit. Mr. Yin also made the serious mistake of pleading not guilty. He was given a six-year sentence and stripped of his party membership.

At street-level, economic crime is highly visible and no doubt disconcerting to the law-abiding majority. In a state-run restaurant recently, a diner at an adjoining table saw me pay for a meal with foreign exchange certificates (FEC), a medium which foreigners use while in China and which can be exchanged for hard currencies.

The diner-cum-black marketer then bought the FECs from the waitress, a state employee, with Renminbi, the non-

convertible Chinese currency.

Politically, the paramount leader, Deng Xiaoping, and his fellow pragmatists have been trying to head off criticism from those who take exception to the pace and content of the reforms. At an unexpected gathering of 8,000 leading government, military and party cadres in February, the pragmatists chose a three-man troubleshooting team, with Dengists at the helm, to oversee the stepped-up corruption campaign. The triumvirate will give the drive a harder edge in the upper reaches of the party and government, and work to ensure that the crackdown does not swing out of control, and become a political purge, as has been the case in the past.

Diplomats in Peking presume the new body will need a senior scapegoat to justify its existence, and will make a public example of them. Western embassies, meanwhile, have warned foreign companies to be absolutely scrupulous in their dealings, as a firm could be pilloried as a warning to others.

Hu Qili, the senior politburo member who is expected, eventually, to head the Communist Party, claims the present campaign does not have a political flavour and is aimed at "real justice." Those who should be arrested should be arrested, and those who should be killed should be killed." Hu Qili identified cadres children, who have guanxi as a birthright, as one group which will get what it deserves for wrongdoing, despite the attempts of powerful parents to cover up such crimes. And workers have been told to fear not in reporting on the misbehaviour of their superiors.

Whatever the cost of tax evasion, fraud, speculation and other forms of prohibited profiteering, China can hardly afford the price. The endless stream of reported cases in recent months includes a Chinese herbal medicine smuggling racket in Guangzhou (Canton) which cost the state an estimated \$1.3 million and a \$300 million import fraud in Fujian province, in the south, involving a gang of 22, including a judge.

The "China Auditing Administration," which is understaffed and underskilled, claims to have uncovered waste, fraud and tax evasion valued at \$2.9 billion in the past two years. There have been corn and colour television import swindles, and the illegal diversion of scarce resources to

the benefit of criminals who have interpreted Deng Xiaoping's saying "get rich through labour" in a way not intended by its author.

Of all the cases of corruption and gross mismanagement discovered in the past year, the most significant and most embarrassing has been the Hainan island import racket. Hainan is China's second largest island (if like the Chinese government you include Taiwan). The island was given special power in April 1983 to use foreign currency and sign contracts to the value of \$5 million as part of the government's efforts to create a major tourist attraction.

To quote from a report by the Communist Party's central discipline inspection committee: "From January 1, 1984 to March 5, 1985 leading cadres of Hainan approved the import of 89,000 automobiles, 2.86 million television sets, 252,000 video recorders, and 122,000 motorcycles."

It seems that the Hainan island officials decided to profit from the duty concessions on certain items of technology, by purchasing those desired products for resale on the mainland. It is unclear how many officials were genuinely trying to raise money for the island's development, and how many pocketed the money.

Officials illegally borrowed \$570 million in hard currency to finance their scheme.

The Communist Party head of Hainan, Lie Yu, was stripped of all his posts, and several other senior officials were demoted. Other officials who blatantly used the import racket for personal gain received lengthy jail terms. Liang Bingzhong, a purchasing agent for a public health institute, was given a life sentence.

A man who considers himself lucky is Chen Yinghao, the deputy secretary-general of the Hainan government. Mr. Chen is the first official implicated in the scandal to have talked to a foreign journalist. He went to Hong Kong to sign import contracts in late 1984 and was mentioned in dispatches during the inquiry into the island's affairs. "Of course I committed mistakes and had to make a self-criticism," Mr. Chen said. "The import rush was just like a hurricane. It came very quickly and disappeared. It's true that we have committed many mistakes" — Financial Times news feature.

Harare braces itself for non-aligned summit

By Peter Gregson

Reuters

HARARE — Harare, until recently the sleepy capital of internationally outcast Rhodesia, is bracing itself to host the world's biggest diplomatic jamboree.

Zimbabwe, just six years old and Africa's youngest country, will later this year take over leadership of the 101-nation Non-Aligned Movement at a summit meeting the likes of which southern Africa has never seen before.

More than 7,000 people are expected to pour into this placid garden city, called Salisbury for most of its life, for a get-together held only every three years of states as diverse as Afghanistan and Argentina, Bhutan and Burkina Faso.

It is a nightmare task for Prime Minister Robert Mugabe's young government and an African capital that previously has not staged a conference attended by more than 1,000 people.

The government has commandeered all the city's 2,000-plus hotel rooms for the 10-day meeting beginning on August 26.

Deputy Prime Minister Simon Muzenda has been put in overall charge of arrangements and he has appealed to the country's still white-dominated business community to help with housing, transport, equipment, staff and other services so as to "avoid bankrupting the nation."

All civil service leave for the period has been cancelled, municipal

authorities have promised to clean up the city and police commissioner Henry Muzuruzhiza has said reinforcements will be brought in to crack down on pickpockets, prostitutes, pimps and other criminals.

So positive has been the private sector's response to Muzenda's appeal that his office has established a direct "hotline" to receive offers of help with the telephone number published on the front page of the local newspaper. In the affluent and formerly "whites only" northern suburbs, the government is rushing through the construction of 32 luxury villas to house the most important heads of state expected.

The villas, ironically being built to computer-designed plans imported from South Africa, are adjacent to Borrowdale Park horse racing course, one of the city's largest and most elegant legacies of colonial days.

At a factory in the southern industrial suburbs, the first of more than 50 Mercedes limousines imported in kit form to transport the visiting dignitaries in appropriate style has rolled off the assembly line.

Experts predict the conference will cost at least 50 million dollars (\$30 million). Official sources said the government had budgeted to spend only half of this itself with the rest to be donated in goods or cash by other members.

The meeting itself will take place in the 4,500-seat main auditorium of a conference and hotel centre built by a Yugoslav com-

pany and completed late last year at a cost of over 65 million dollars (\$40 million).

Showing journalists the facilities available in the gold-speckled building, government spokesman Justin Nyoka said: "We are determined that absolutely nothing will go wrong."

Such a goal for a country that, as Rhodesia, suffered 14 years of isolation and international sanctions and where few imported goods are still generally available was greeted with some scepticism by international correspondents present.

But Zimbabwe's task in hosting the mammoth meeting, and then taking over leadership of the movement for the next three years, was compounded by the short notice it received.

Harare was chosen as the venue only last September at a meeting of Non-Aligned foreign ministers in the Angolan capital Luanda which had been widely expected to select Belgrade.

The summit is the movement's eighth and marks its 25th anniversary and the Yugoslav capital was a strong choice as a fitting tribute to the late President Tito, one of its founders and staunchest early proponent.

Diplomatic sources said the Zimbabwe government had been given only the slightest inkling before the meeting that Harare might be chosen for the summit. "When (Foreign Minister) Muzenda left for Luanda he hadn't the faintest idea that he would be coming back with the



Robert Mugabe

leadership of the Non-Aligned Movement in his pocket for Mugabe," an African envoy said.

The sources said the Zimbabwean capital had been chosen ahead of Belgrade because a number of countries, such as Cuba, wanted the summit to focus attention on neighbouring South Africa, gripped by turmoil for the past 18 months over its unequal racial policies.

But government sources said Mugabe himself was determined that the summit would address the full range of Non-Aligned issues, such as superpower rivalry, the crippling debt burden of many Third World countries and regional conflicts such as the protracted Gulf war between two of its members, Iran and Iraq.

The last summit was postponed for six months and moved from its scheduled venue of the Iraqi capital Baghdad to India's capital, New Delhi, because of the war.

The sources said between 50 and 70 heads of state or government from the other 100 member countries were expected and it was particularly hoped the leaders of both Iran and Iraq would attend to provide a unique opportunity for mediation.

Swaziland set to install king for first time in 60 years

By Peter Gregson

Reuters

MBABANE — Amid mystery and ritual in a ceremony last enacted more than 60 years ago, Swaziland will install a new king next month.

Teenage Crown Prince Makhosetive will assume the mantle of "Ngenyama" (lion) of the Swazi nation and a four-year leadership vacuum finally will be filled. These have been troubled times for the 600,000 people of this mountainous southern African country since their revered monarch, King Sobhuza II, died in June, 1982.

His death, at the age of 82 after a reign of 61 years, triggered a royal feud within Swaziland's secretive inner circles whose after-effects are still being felt.

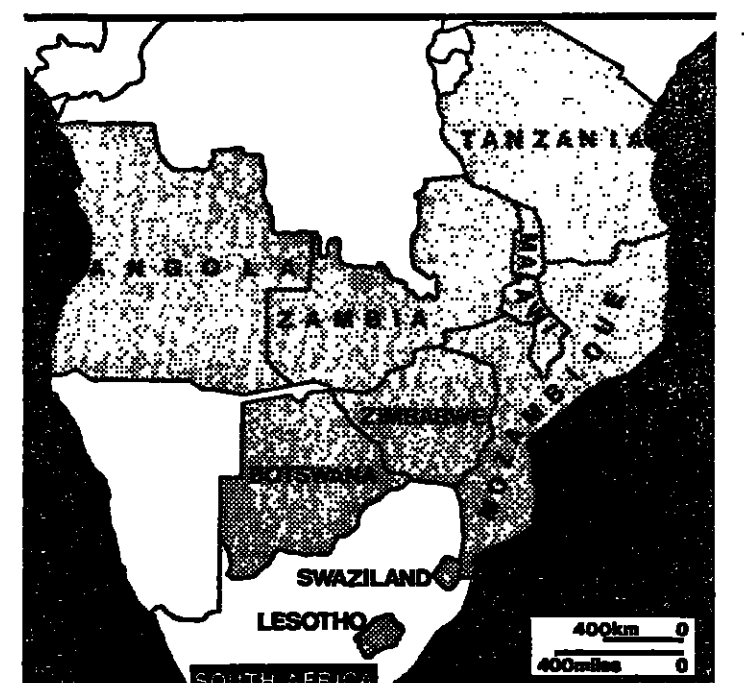
Sobhuza was the only ruler most of his subjects could remember.

The first Swazi king to receive a Western-style education, he blended tribal statecraft with modern politics to steer into the 20th century a country where most people still believe in witchcraft.

His successor, Crown Prince Makhosetive, 19, was selected according to Swazi traditions and has since undergone a series of rituals to prepare him to don the emblem of leadership — the skin of a lion, the animal revered here as "the one that devours man."

When Sobhuza died, he left his senior widow, Dzeliwe, as queen regent — officially called "Indlovukazi" (great she elephant) — to preside over a court of scores of wives and hundreds of children, including 69 princes with claims to accession.

The selection of Makhosetive, then 15, came within a few weeks. Dzeliwe was swiftly toppled in a bloodless palace coup in August.



1982 and the crown prince's mother, Ntombi, installed in her place. Another royal prince, Sobhuza's nephew Mafisibhili, has since fallen victim to the royal feud and is currently on trial accused of subverting justice by the illegal detention of opponents.

To be selected, the crown prince had to be the only son of one of Sobhuza's many wives to prevent fraternal fighting over the throne.

Oral tradition maintains that he must also prove he is capable of producing an heir before he becomes king so that he can also lay claim to the title "Sire of the Herd."

Little has been released of the initiation ceremonies that Makhosetive has undergone.

He was sent to an exclusive private school in southern England in 1983 and at present is attending Britain's elite military college, Sandhurst.

Ntombi called on every one of the country's estimated 150,000 adults to contribute five emalangeni (\$2.50) each to pay for his education.

The prince has returned periodically to his homeland to take part in such rituals as the "Ncwala," the reed dance performed to celebrate Sobhuza's enthronement and repeated by thousands of bare-breasted maidens annually ever since in the highlight of the Swazi calendar.

In August last year, he took part in a five-day 100-kilometre trek with royal warriors in which a lion was killed by spears and its skin brought to the royal residence to be used in his enthronement.

Custom dictates that any future king must have killed a lion to prove himself greater than "the

one that devours man." Lions have been extinct in Swaziland for many years and the one killed in the hunt was imported from a game park in neighbouring South Africa.

To this superstitious and deeply traditional country, the king is more than just a monarch and by tradition endowed with mystical characteristics.

He is the embodiment of the nation, his health its prosperity, his fertility that of the nation's soil. He is therefore expected to have a large number of wives, many drawn politically from the numerous clans within the Swazi tribe to bind them together, and tribute many children.

Makhosetive's enthronement ceremonies will begin late on April 24 and last about 48 hours.

No details have been released but part of the ceremony will be in public at the national stadium on April 25. Most of the rest will be private rituals in the royal kraal close by in the Ezulweni valley south of here, where the twin mountains of "Sheba's breasts" are reputed to have inspired H. Rider Haggard to write "King Solomon's Mines."

The more than 30 countries with which Swaziland has diplomatic ties have been invited to send representatives, but the guest list has not yet been announced. How far present-day Swaziland should follow the rituals undergone by Sobhuza at his enthronement has divided modernists and traditionalists.

According to records in the country's archives, Sobhuza's installation lasted six days and was itself adapted to suit changing times.

Nicaragua: Fighting pests and 'beasts'

By Yojana Sharma

A promising Nicaraguan programme of pest control without the use of chemical pesticides is being disrupted by the war against the U.S.-backed "contra" guerrillas.

MANAGUA, Nicaragua — "If it moves, spray it" has been the motto of Nicaraguan farmers. But their newly successful efforts to kick the pesticide habit are running afoul of the war against the "contras."

Necessity has mothered the move away from 30 years' dependence on imported pesticides. In 1977, the United Nations estimated that Nicaraguan cotton exports generated \$141 million a year, while pesticide imports were running at \$200 million.

When an American trade embargo was imposed on Nicaragua in May 1985, the Sandinista government became convinced that its agriculture officials, who argued that finding another approach to pest control was essential, were right.

In line with this conviction, the Ministry of Agriculture has banned the use of DDT, and a newly-formed pesticide directorate has reduced the number of permitted pesticides from 1,500 to 44. At the same time the ministry has stepped up experiments on what is known as "integrated pest management" (IPM) — the control of harmful organisms through bio-

logical, rather than chemical, means.

Throughout the 1960s, when Nicaragua accounted for 40 per cent of United States foreign pesticide sales, it is conservatively estimated that 30,000 Nicaraguans suffered serious pesticide poisoning. By 1980 only Honduras was exceeding this record.

By the late 1970s, no other population in the world had higher levels of DDT accumulated in fatty tissues than Nicaraguans and neighbouring Guatemalans. Tests showed a DDT level 16 times the world average. Yet the pests that were the target of this chemical assault were still not under control.

As the sprays used on cotton pests also killed their natural predators and parasites, the pests themselves became more difficult and more costly to contain. The resultant increased spraying contaminated adjacent corn and sugar crops, making them inedible and necessitating greater food imports.

New experiments, begun by the Ministry of Agriculture after the embargo, include the development of insects such as the tri-

chogramma wasp, a predator of the cotton weevil. A bacteria known as *Bacillus thuringiensis*, which attacks other cotton pests, is also being tried, as are a variety of natural parasites.

IPM methods such as the "trap cropping" technique, already mandatory for cotton farmers, are now being extended to maize and other foodcrops. By sowing several rows of cotton away from the main crop to "trap" pests, which are then sprayed, pesticide applications to the main crop are reduced. A limited 1982 experiment with this technique resulted in a saving of \$3 million.

New regulations enact fines for farmers who do not comply with specified dates for the cutting and ploughing under of cotton stalks, a measure designed to eliminate weevil infestation between crops.

Chemical applications on ministry test lands are kept to a minimum, and are resorted to only after careful monitoring of insect populations. According to the ministry, the savings from reduced spraying by just one application on a 40 hectare field can pay the salary of an extension worker for an entire growing season.

The main difficulty with IPM lies not in proving its usefulness, but in its implementation. With the war against the contras already absorbing 40 per cent of the national budget, experimental work



Barefoot Nicaraguan farm workers apply one of the heavy doses of pesticides which used to be routine (Photo by Mike Goldwater/Oxfam)

is further handicapped by the shortage of skilled agricultural workers.

In the last two years, over half the country's agriculture inspectors were mobilised either to fight the contras or to harvest Nicaragua's vital coffee crop in areas where contra attacks caused severe labour shortages.

"The contras have been very explicit about targeting government employees, particularly technicians, in their ambushes," says Douglas Murray, a technical adviser on pesticide hazards to the

Nicaraguan government. Progressively fewer qualified science students are graduating, because they are unable to complete their university courses before they are mobilised.

The shortage of skilled personnel is bound to affect the trap cropping programme, whose success is heavily dependent on careful monitoring of pest populations. "If you don't check the fields regularly, it has the reverse effect, becoming a breeding ground for mosquitoes," explains Murray.

As economic pressures mount, and Nicaragua's military situation deteriorates, the government is reluctant to try out any new experiment which could disrupt foreign exchange income, however briefly. Though the will to kick the pesticide habit is there, the means to achieve this end are becoming increasingly scarce — Earthscan feature.

Yojana Sharma is an Earthscan correspondent based in Costa Rica.

Arab Bank Ltd.

Dear Shareholders,

It gives me great pleasure to present you with the 1985 Annual Report of the Board of Directors and to brief you on the results achieved by your Institution, in spite of the political and economic difficulties faced by our region and the world at large in 1985.

The slowdown in the Arab economy, due mainly to the decline in the export volume and price of oil, has affected not only the Arab oil-exporting countries, but also the non-producing ones. In addition, the Iran-Iraq war, now in its sixth year, and the fighting in Lebanon over the past ten years, have had negative effects on the economy and the stability of the region. We hope that that war will end soon, as it is not in the interests of the two Islamic countries, and that an end will be made to the destructive fighting in Lebanon, so that construction activity and productive services may return in full vigour to the Arab countries, enabling your Institution and others as well to resume their full stride for the benefit and the welfare of the economy.

In my last two messages to you, I mentioned that the world economy had been slack in 1983, but tended to improve in 1984, especially in the United States. In 1985 however, it started to slow down again, contrary to expectations. Although the industrialized countries have been successful in combating inflation, they still continue to suffer from high levels of unemployment, which in some cases have exceeded 13% and are expected to worsen in the coming two years. The United States, in particular, has succeeded in reducing unemployment, but has increasingly large deficits in its federal budget as well as its trade balance and current account. Japan and West Germany, on the other hand, have achieved substantial surpluses in their trade balances.

The Third World countries continue to labour under heavy debts at rather high interest rates, continuous droughts as well as the encroachment of the desert in some areas of Africa. To make matters worse for them, some industrialized countries have set up protectionist trade barriers, which have resulted in lowering the prices of raw materials and some manufactured goods, which the poor countries produce for export. As a result, the income per capita of some of those nations has declined.

The dollar value reached a peak in February 1985, but started to fall again, depreciating by more than 20% against other currencies. This followed the meeting of the "Big Five" (Japan, United States, United Kingdom, West Germany and France) in September, when the importance of lowering the dollar rate of exchange was stressed with a view to enabling the United States to increase its exports and reduce the deficits in both the current account and the federal budget.

There are great disparities in the economic levels among countries, notably between the industrialised and the developing nations. It would be a great danger to the stability and economy of the world if such disparities were left unregarded and if exchange rates were allowed to fluctuate sharply.

Our new Representative Office has been inaugurated in Beijing, China, that important and vast country, whose economy has been growing rapidly, one aspect of which has been the expansion of economic ties with the Arab World. The Government of Australia has given us the permit to establish a merchant bank, which we hope will begin its activities next year. Your Board of Directors is making further studies with a view to opening new branches in other countries in the Far East, and Europe, which enjoy a relatively high economic growth.

Despite the difficult political and economic climate in our area and the world, your Institution was able to achieve satisfactory results. Net Profit after tax and after allocations to internal reserves, in line with our policy, amounted to JD 25 million. The Board proposes a dividend of JD 3.5 per share which is 35% of the par value which is JD 10, the same as in the previous years. We had hoped for a better result, but the economic slow-down and the drop in the exchange rates of the dollar and some other currencies brought down the figures. Construction work in the area and exports and imports have slumped, as reflected by the figures of Documentary Credits and Guarantees. The exchange rates of the dollar and the Lebanese pound, in particular, have fallen heavily against the Jordanian dinar, so that the balances, in those currencies, rates lower when converted into dinars for compilation purposes. Hence Deposits and other items have not increased at the pace of previous years, especially as a large portion of Deposits is denominated in U.S. dollars. However, you will notice an adequate increase in Loans, which resulted from growing activities by some of our branches, especially in Jordan Europe and the United States. We hope that conditions in the Arab homeland and the world will soon improve, enabling us to look forward to better results in the years to come.

I wish to express my thanks and gratitude to all customers of the Bank for their support and to all executives and employees for their good efforts.

Abdulmajeed Shoman
Chairman, Board of Directors

Balance Sheet as of 31 December 1985

	1985 US\$	1985 JD	1984 JD
Assets			
Cash in hand and at banks	5,057,563,768	1,860,082,298	1,978,476,805
Items in transit	40,996,364	15,077,736	4,012,200
Bonds (government & other)	480,341,194	176,660,976	162,354,286
Investments (incl. subsidiaries)	58,166,776	21,392,709	23,898,847
Bills discounted	158,120,424	58,153,889	63,037,049
Loans	2,424,318,562	891,621,391	809,754,058
Bank premises (less depreciation)	29,826,470	10,969,647	10,893,634
Furniture & equipment (less depreciation)	15,484,800	5,695,035	10,274,185
Customers' liability on acceptances	56,083,214	20,626,412	17,890,305
Other Assets	52,953,608	19,475,398	14,969,187
Total Assets	8,373,855,180	3,079,755,491	3,095,560,556
Customers' liability on guarantees and credits (per contra)	1,644,506,877	604,820,477	686,601,923
Balance Sheet Total	10,018,362,057	3,684,575,968	3,782,162,479

	1985 US\$	1985 JD	1984 JD
Liabilities			
Deposits & other accounts	7,892,754,336	2,902,815,129	2,938,656,551
Acceptances	56,083,214	20,626,412	17,890,305
Capital authorised and fully paid (JD 10 per share)	59,818,000	22,000,000	22,000,000
General reserve	59,818,000	22,000,000	19,700,000
Voluntary reserve	163,140,000	60,000,000	52,000,000
Undivided profit	74,772,500	27,500,000	22,500,000
Provisions	46,402,900	17,100,000	15,100,000
Net profit (per contra)	2,354,230	7,713,950	7,713,700
Total Liabilities	8,373,855,180	3,079,755,491	3,095,560,556
Guarantees and credits (per contra)	1,644,506,877	604,820,477	686,601,923
Balance Sheet Total	10,018,362,057	3,684,575,968	3,782,162,479

Khalid A.H. Shoman Deputy Chairman
Abdulmajeed A.H. Shoman Chairman

Profit and Loss Account for the year 1985

	1985 JD	1984 JD
Operation Income		
Interest received	351,295,280	380,140,554
Less: Interest paid	317,796,904	343,928,325
Net Interest	33,498,376	36,212,229
Commissions	10,375,192	11,823,991
Income from exchange	6,076,779	12,099,486
Income from securities	13,406,001	14,985,760
Other income	2,935,140	6,292,868
Total Income	66,291,488	81,414,334

Operation Expenses & Provisions		
Salaries and fringe benefits	20,312,448	18,813,937
Depreciation	1,956,677	2,012,501
Taxes	3,901,122	8,275,355
Other expenses	15,107,291	27,798,841
Total Expenses	41,277,538	56,900,634

Net profit for appropriation	25,013,950	24,513,700
Undivided profit	15,100,000	12,750,000
Total	40,113,950	37,263,700

Deduct:		
Transfer to statutory reserve	2,300,000	2,450,000
Transfer to general reserve	8,000,000	7,000,000
Transfer to voluntary reserve	5,000,000	5,000,000
Dividends	7,700,000	7,700,000
Directors' remuneration	13,950	13,700
Balance of undivided profit	17,100,000	15,100,000

Auditors' Report

To the Shareholders of
Arab Bank Limited

WE HAVE examined the balance sheet of the Arab Bank Limited (a Jordanian public shareholding company) as of 31 December 1985 and 1984 and the related statement of profit and loss and statement of changes in financial position for the years then ended. We have obtained the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records kept at the Bank's head office and branches and such other auditing procedures as we considered necessary in the circumstances and to the extent allowed by the laws in force in the countries where the Bank is operating.

The bank maintains proper books and records and the accompanying financial statements are in agreement therewith. In our opinion, the accompanying financial statements

present fairly the financial position of Arab Bank Ltd. as at 31 December 1985 and 1984 and the results of its operations and the changes in its financial position for the years then ended, in conformity with the law and with generally accepted accounting principles applied on a basis consistent with that of the preceding year. We recommend that the General Assembly approve these financial statements and adopt the proposal of the Board of Directors to declare a dividend of JD 3.500 per share.

Saba & Co.
Amman, Jordan, 16 January 1986.

Board of Directors' 56th Annual Report

For the year ended 31 December 1985, submitted to the General Assembly of Shareholders at the Annual General Meeting held at the Bank's Head Office Building, Shmeisani, Amman, at 10.00 a.m. Friday, 28 March 1986.

Dear Shareholders,

1985 was another slack year in the recent slowdown of the world's economy, during which the growth rate declined, with unemployment and protectionism on the increase, as outlined in the following review.

Arab Economy

Jordan continued to suffer from a fall in Arab financial aid, the sluggish economy of the region and the return of Jordanian workers in great numbers to Jordan, their services having been terminated by the Arab oil countries as a result of a slowdown in their economies. This has created an unemployment problem which may become severe in the near future. In the past, Jordan exported a great number of workers and employees to many Arab countries to help advance their economic development, at the same time receiving substantial transfers from those workers. This is a good example of practical Arab integration. Jordan also suffered from a large deficit in its balance of trade, although this dropped from JD 693 million in 1983 to JD 780 million in 1984.

The Kingdom's net foreign assets decreased from JD 438 million to JD 293 million during the same period. This forced the Government to take certain measures to stop these deficits, such as restricting the import of luxury goods and imposing heavy custom duties on them, encouraging local production and allowing some tax exemptions for exports of Jordanian origin and consequently net foreign assets rose to JD 386 million in August 1985. These measures also encouraged private sector, following a policy of decentralization. The new Jordanian development plan designates a larger role to the private sector, especially in projects which employ more workers. Special attention is being given to the agricultural sector, so as to reduce the import of foodstuffs. As the Government expenditure in the 1985 budget exceeds the 1984 actual expenditure by about JD 65 million, raising the deficit to some JD 105 million, the Government requested all ministries in October to cut down their expenses by 15% until the end of the year. The decrease of world prices as well as a strict financial policy helped to bring down inflation from 5% in 1983 to 3.9% in 1984, the decrease continuing through 1985. The deficit in the current account was reduced from JD 145 million in 1983 to JD 89 million in 1984.

The Jordan Government has also abolished the previous decision of the Central Bank to Jordanize all foreign banks operating in Jordan by raising the participation of Jordanian in the paid-up capital to at least 51%. Now, each foreign bank has to work on a paid-up capital of not less than JD 5 million before the end of 1985.

For the Arab countries as a whole, the average economic growth in 1985 is estimated at only 1.5%, compared to 3.3% for the Third World as a whole. The main reason for this poor performance in the Arab countries is the decrease in production and export of petroleum by the Arab oil-producing countries and the fall in prices. This has led to a deficit in the balance of payments of the Arab oil producers, an increase in their foreign debt and a decrease in construction projects.

Also, the Iran-Iraq war, which entered its sixth year, and the continuation of fighting in Lebanon over the past ten years, together with the de facto Israeli occupation of Southern Lebanon, all had their negative effects on the economy of the region.

Since the late 1970s, when the Organization of Petroleum Exporting Countries (OPEC) substantially increased its prices, the industrialized nations have stepped up prospecting for new oil wells, reduced oil consumption, and promoted the use of alternative forms of energy through scientific research. Also, oil-producing countries outside OPEC have started to increase output and reduce prices, forcing OPEC to cut production in order to hold existing price levels. Then, in December 1985, at a meeting held in Geneva, OPEC decided to abandon this policy in favour of a new one, which will enable it to maintain for itself a fair share of oil markets after seeing it fall from 60% in 1979 to about 35% at present. This move will put pressure on other exporting countries, especially the United Kingdom and Norway, to limit the expansion of their oil production. Should world production continue uncontrolled, a price war may occur in 1986, and the price of light crude oil may drop below \$20 per barrel from the present level of \$26. The Arab production of petrochemicals needs markets to export to. But Europe and America are practicing a protectionist policy to safeguard their own products.

During the past few years, the Arab countries have unfortunately become used to depend on the import of foodstuffs from other countries, and this trend has been on the increase, food imports in 1984 totalled \$25 billion. As a result, the Arab agricultural production has decreased at the time when the population growth has been relatively high. This makes it difficult for the Arab world to achieve self-sufficiency in food, and it is imperative to correct this dangerous trend and step up agricultural production by utilizing the vast agricultural land yet untitled and using modern technology to increase efficiency. As the Arab home-land is also rich in mineral resources, a concerted effort should be made to encourage industrialization, in order to build an integrated and healthy economy. All this calls for modern methods in industry and agriculture and intensive training of young people to master the new technology. We believe that it is time now to revise the present school syllabuses, and lay greater emphasis on the scientific and technological advances made in the world and the real needs of the Arab countries now and in the near future. The present syllabuses are outdated in both content and method; they are incapable of producing creative minds needed to build a nation well equipped to compete with the other nations of the world.

It is worth noting, however, that some independent Arab institutions have been established as a result of individual initiative to back up scientific and technological advance. Such institutions are the Abdulhameed Shoman Foundation in Amman, Jordan and the Tamari Sabagh Foundation in Beirut. These two institutions have so far during their short existence provided financial aid to many of the young researchers inside and outside the Arab countries, distributed annual cash prizes to the best researchers for their published works in various fields of knowledge, such as engineering, medicine, agriculture and the arts, and have paid grants to many university students to enable them to complete their studies.

The Abdulhameed Shoman Foundation has also established a large library in Amman to enable the young generation to become acquainted with up-to-date developments in the sciences and other subjects as well as providing it with a modern computerized data and information centre. All this indicates awareness of future needs.

During the year, two Arab satellites were successfully launched into geo-stationary orbits, covering all the Arab countries. They are part of the Arabsat communications system, which will have great impact on the Arab World, economically, socially and culturally. Educational and teaching programmes as well as valuable information will be diffused by television and radio throughout the region, even to the remotest areas. Telephone and telex links will be easily available on a much wider scale. This will lead to rapid progress and integration at relatively low cost. In the near future, private and public institutions will be able to use the Arabsat for data transmission and reception, remote computer services, and electronic mail and message transmission. In addition, there will be a significant increase in the use of space technology and industry which we hope the Arab world will continue to and make use of.

The Gulf Cooperation Council continued its activities in all fields, including security, military and economic cooperation, furthering the way towards economic integration and the ability to defend its resources. All states of the region have many similarities in their economies, growth levels and production factors, and the prospects are therefore great for the success of the Council in its integration.

The Governments involved are planning to coordinate development projects, so as to avoid needless duplication, and they are also paying special attention to the private sector, which they consider the cornerstone of economic structure. We hope that the success of the Council will set an example for other Arab regions and that in the future all Arabs will be united in one strong nation.

The Arab Funds continued their aid to the developing countries in Africa and Asia.

World Economy

The world economy, which recovered in 1984, especially in the United States and Japan, slowed down in 1985; the output growth rate dropped from 4.6% to 3.6% in 1985. The fall in the developed economies was from 4.6% to 3.2%, whereas the developing countries recorded an increase from 2.9% to 3.3%. In spite of this latter increase, however, the GNP per capita for most countries in Africa and some countries in Latin America declined.

The world import volume went down from 9% in 1984 to about 6% in 1985. The outlook for trade in the coming two years is for larger imbalances in the external positions of the developed countries. The trade deficit of the United States is expected to increase sharply from \$148 billion in 1985 to more than \$150 billion in 1987. The trade balances of other developed countries, especially West Germany and Japan, are expected to improve strongly during the same period; whereas for the developing countries those balances are expected to reveal only slight changes relative to the balances of 1984.

Unemployment is still a major problem, especially in Western Europe, where it averaged 11% in

1985, compared to 2.9% in Japan and 6.9% in the U.S. The high unemployment levels in Europe are expected to rise further in the coming years.

The inflation rate eased off markedly during the last two years; for Western Europe it averaged 8% in the 1981-1984 period and fell to 5.7% in 1985. Inflation in Japan was about 2% in 1985, and in North America 4.0%.

A major disturbing factor in the world economy is the persistence of great disparities between the various countries, both among the developed nations and the developing ones, in addition to the widening gap between the industrialized bloc and the Third World. Japan and West Germany, for example, have similar, strong economies. Both countries enjoy low rates of inflation of about 2.0%; large current account surpluses of \$47 billion and \$12 billion respectively; and modest budget deficits of around 1.5% of GNP. On the other hand, in the United States, the budget deficit of \$183 billion in 1984 has risen to about \$200 billion in 1985, about 5.8% of GNP. The deficit in the U.S. current account is forecast to rise from \$105 billion in 1984 to \$130 billion in 1985.

Another disturbing factor is the continuance of sharp fluctuations in exchange rates. The dollar was strongest in February when it stood at 2.52 and DM 3.31 but by the end of the year it had dropped to 2.52 and DM 2.45. In February, interest rates were at high levels: 14% p.a. on the sterling bond and 8% on the dollar and 5.9% on the DM. These rates decreased by the end of the year to 11.75%, 8.0% and 4.75% respectively.

The industrialized countries have been urging the United States to lower the interest and exchange rates of the dollar. They and the United States have been working in the money markets, selling large amounts of dollar to stop its rising and rising their interest rates. On the other hand, the countries with big trade deficits especially the United States have been pressuring Japan and West Germany, which have large surpluses, to relax their tight fiscal policies and boost demand, in order to accelerate the world economic recovery.

Adverse effects on the world economy may result from a sudden reversal of the capital inflows into the United States, which so far have been helping to finance part of the budget deficit. This may lead to a sharp decline in the dollar value against other key currencies, and later to higher interest rates in the United States and other major developed countries.

Third World indebtedness rose to about \$870 billion by the end of 1985. It is becoming not only a big problem for the indebted nations but it is also threatening the international monetary system and the economy of the world as a whole. In 1984, the debt costs of the debtor countries surpassed the total amount of funds received by them from the industrialized nations that year.

The rich lending nations have charged debtor nations high interest rates and erected trade barriers against their raw materials and other exports. Thus, the world market price of raw materials and primary commodities exported by the developing countries dropped off from the beginning of 1984 into 1985.

The elements have also been hitting hard at the poor nations; 24 African states have experienced drought and encroachment of the desert, resulting in serious famine.

In some countries in Africa heavy rains for the past three years have devastated the fragile economy, and in others, earthquakes, volcanoes, and hurricanes have caused destruction.

The poor countries themselves are also to blame, as they should have taken effective measures to reconstitute their economies and control their expenditure.

As a result, the debtor countries of the Third World are unable to pay back the money they have borrowed, and in some cases, not even the interest on the debts. In 1985 their indebtedness amounted to 35% of GNP and 130% of exports.

To solve the debt problem, those countries should, ideally, be made capable to develop their economies alongside the settling of their debts. This calls for real cooperation between both developed and developing countries. For their part, the developed nations should lower interest rates and fees on debts, provide necessary back-up loans, relax their protectionist barriers and develop demand to encourage the import of goods and raw materials from the poor countries. The debtor nations should adopt austerity measures and adjust their economies to reduce inflation and encourage investment, with the guidance and help of international institutions.

As a result of the recovery in the industrialized world in 1984 and economic adjustments effected by some developing countries, exports from those countries increased during that year, and economic performance was good in 1985, however, the situation changed. At the combined general meetings of the World Bank and the IMF held in Seoul, South Korea, in early October 1985, a proposal was made by the United States finance minister that private banks should grant US\$20 billion of new loans to 15 developing countries over the next three years. However, many banks are already burdened with huge outstanding loan totals, and unless they are granted good security and suitable backing from the governments of the industrialized nations and the official international organizations, the provision of fresh loans is doubtful. The international institutions were also asked to increase their loans by \$9 billion in the coming three years.

In early December 1985, seven South Asian nations established a new association for regional cooperation. The principal objectives of the association are to reduce tensions among the member countries and to accelerate cooperation in such areas as agriculture, rural development, telecommunications, transportation and culture.

Singapore's overall economic performance fell sharply in 1985. The GNP recorded a decrease of about 1.7% against a growth of 8% in 1984; construction work dropped by 13%, manufacturing by 8%, and both foreign trade and domestic demand declined. Singapore faces growing competition from Japan, whereas its domestic market is limited. However, its position as a gate to the rest of South Asia, along with highly developed communications network, will help it to resume its growth and maintain its importance as an international money market.

China's economy continued to grow at a fast rate, about 10%. This growth and the open-door to foreign trade have led to some difficulties and to a drop in net foreign assets, by about 48% from October 1984 to 30 June 1985. The Chinese Government plans to reduce growth to a reasonable and steady rate of about 7% in 1986.

Board of Directors 56th Annual Report

and to effect necessary, gradual changes in the development of the economy. When the figures of the Arab Bank Limited Balance Sheet and the Profit and Loss account for the year 1985 are compared with those of 1984, one has to take into consideration the following most important changes which have taken place.

1. The sharp drop of the exchange rate of the US dollar and the Lebanese pound reaching 9.2% and 55% respectively against the Jordan dinar into which all foreign currency balances are converted for compilation.
2. The drop in the interest rate on the dollar deposits from an average of 12% to an average of 8%, and the drop in the interest rates on the other currencies.
3. The slowdown in the Arab market and the sluggishness of the economy in the area especially in the construction projects, trade and the prices of oil.

Hence the figures of the year 1985 in our Balance Sheet have not grown at the same pace as in previous years.

One can see from the figures that the balance of Documentary Credits and Guarantees which are still outstanding have registered a sharp decrease from JD 687 million in 1984 to JD 605 million in 1985.

However, you will notice that the figure of our loan portfolio has increased from JD 873 million in 1984 to JD 950 million in 1985 as our branches in Jordan, Europe, United States, and Singapore have increased their activities in loans and in financing.

Deposits stood at JD 2,903 million compared with JD 2,939 million in 1984 notwithstanding the fact that the exchange rates of the foreign currencies have decreased against the Jordan dinar and more than half of our deposits are in US dollar and other currencies.

Cash and balances due from banks was JD 1,860 million in 1985 compared with JD 1,978 million in 1984. Bonds and other securities have increased from JD 162 million in 1984 to JD 177 million in 1985. These bonds are marketable and could be easily converted into cash and more than 95% are government bonds. If this item is added to the

cash and balances due from banks, the total figure of the liquid assets becomes JD 2,037 million representing 70% of our deposits.

The reason for the decrease in Investments (including subsidiaries) is the drop in the exchange rates of the foreign currencies against the Jordan dinar.

The Furniture and Equipment item has decreased by 4.6 million in 1985 as Management has decided to sell a small airplane previously purchased for the use of the executives, and as furniture has been amortized in accordance with the laws and regulations of the various countries in which we operate.

Earnings

Net earnings before taxes and after deduction of interest paid to customers have decreased from JD 81 million to JD 66 million, mainly because of the interest reduction in the markets. After allocation to the internal reserves and deduction of all expenses including employees' salaries and benefits, depreciation, administrative expenses, taxes and provisions, an amount of JD 25 million remains as net profit for appropriation.

Appropriation of Net Profit

The Board of Directors suggests the following appropriation of profit.

- JD 17.3 million to the reserves.
- JD 7.7 million as dividend to the shareholders at JD 3.500 per share (35% of the par value of JD 10) payable as from 28 April 1986.
- JD 13,950 as remuneration to the members of the Board of Directors.

Shareholders Equity

Paid-up capital: JD 22 million
Total reserves: JD 126.6 million

Total equity: JD 148.6 million
Thus Total equity in 1985 increased by JD 17.3 million or 13% over that in 1984.

New Branches

On 16 October 1985 the Representative Office of your institution in Beijing, China was inaugurated. We hope that this office will be active in strengthening the economic ties and will enhance the relations between this important country and the Arab World.

The Australian Government has granted your institution the permit to open a merchant bank in Australia, which we hope will start operating

next year. Also a permit has been obtained to open a branch in Cannes, France, to serve Arab tourists.

Your Board of Directors is studying the possibilities of opening new branches in the Far East and Europe as those areas are playing an important role in the economy of the world.

The Board of Directors

In the General Meeting on 28 March 1986, the Shareholders are requested to approve the increase of the number of Directors from 10 to 11. They also will elect Directors for a new Board for the 1986-1989 period.

In conclusion, the Board of Directors expresses its gratitude and thanks to the General Management, all executives and employees of the Bank for having efficiently carried out their duties and responsibilities under difficult economic and political conditions. It also wishes to thank all clients for their continuing confidence and support.

Board of Directors

Arab Bank Limited

General Management

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Cable Bank Arab
Telex Arabank JO 23081
Telephone 660115, 660131

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Bahrain

Offshore Banking Unit

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P.O. Box 813
Telephone 256398
Telex Arabank BN 8647

Dealing Room

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Telex FX BN 9333 9334 9335
Government Street
Manama Street

Commercial Branches

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Telex Arabank BN 8332 8264
Government Street

Qudabiyah

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Telex 7173 Arabank BN
Sheikh Esa Al Khafir Street
Al-Muhsa Building

Muharrag

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Nicosia

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Limassol

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Cash Offices

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Kara Paphos
Paphos
Telephone 061-38642

Limassol

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Polamos Yermasoyas
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Ayia Napa

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Dealing Room

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Shmeisani

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Commercial U.S. space venture remains grounded on launch pad

By Robert Kearns
Reuters

GREENBELT, Maryland — Not far from the Goddard Space Centre, named for the man who launched the world's first liquid-fuel rocket from a field near this Washington suburb, a private space pioneer remains grounded.

For lack of a firm endorsement from the U.S. government — which is needed to convince potential investors and customers that American private enterprise can offer an alternative to government-run space probes — the satellite-carrying launch system offered by David Grimes and his Transpace Carriers Incorporated is earthbound.

While loss of the space shuttle Challenger and its crew of seven on January 28 created urgent need for other ways to send satellites and experiments into orbit, Transpace and other would-be U.S. commercial space operators are no closer to lift-off.

Three years ago, President Reagan — who was trying to deregulate as much of U.S. life as possible, including airlines, railroads and trucking — concluded that even space would be more efficiently developed by private business.

Since then, however, the National Aeronautics and Space Administration (NASA) has done little to help its potential commercial competitors, even though Transpace won the rights to use the space agency's unmanned delta missiles when NASA shifted from unmanned to manned shuttle flights.

On the contrary, NASA has been charging commercial satellite or scientific shuttle customers lower prices than Transpace or other prospective private-enterprise launchers can match.

The space entrepreneurs complain that this has discouraged potential financial backers of their operations and left them unable to offer firm launch dates — leaving customers no choice but to wait for a shuttle slot or look outside

Moreover, the whole programme has been grounded pending an investigation into what caused the shuttle disaster.

In theory, at least, the Challenger loss should have started a stampede of customers towards those few alternate ways of sending cargo into space.

The French ArianeSpace Incorporated has moved quickly to accommodate the post-Challenger demand by finding eight extra slots for satellites on its 22 planned launches through 1988.

China, Japan and possibly the Soviet Union may offer to accommodate commercial customers on their own space launches.

But as for the prospective U.S. private operation, "there is a certain amount of indecision on the part of the government," says Rick Endres of Transpace. "Until they reaffirm that they are for the (American) commercialisation of space, we have to sit and wait."

Reagan has appointed national security adviser John Poindexter to head an inter-agency task force, the United States for a ride into the firmament.

Grimes, a veteran space enthusiast who once ran the hugely successful Delta missile programme for NASA, launched Transpace by successfully bidding three years ago for the marketing rights to the Delta unmanned rocket system. NASA had phased it out in favour of the manned shuttle.

Despite fears in the military and academic worlds about putting all of America's space eggs in one basket, the manned shuttle was designated primary U.S. space carrier and had a stranglehold on military, commercial and scientific payloads.

With four shuttle orbiters available, this was theoretically feasible under NASA's plans for an accelerated launch schedule. Shuttle launches reached a peak of nine last year through quicker turnaround times between missions.

Down with the doomed shuttle Challenger, however, came a quarter of the system's capacity.

including officials of NASA and the Defence Department, to determine what to do about future launches of the shuttle or unmanned space vehicles, and what the priority will be for cargo.

NASA officials say Pentagon demands for launch capacity, boosted sharply by research requirements for Reagan's "Star Wars" space defence system, and its steady need for communication and spy satellite capability, are likely to jettison some scheduled commercial cargoes from the shuttle when it resumes flying, possibly starting next February.

Even before the Challenger disaster, defence cargoes accounted for seven of 10 bookings for slots on the shuttle over the next two years.

Transpace, which has the rights to use two Delta launch facilities at the Kennedy Space Centre in Florida for equatorial orbits and one at the Vandenberg Air Force Base in California for polar orbits, says it has made proposals to a number of satellite companies.

"Certainly the atmosphere is right," says Endres, but the essentials of financing, insurance — in a business that saw a mammoth \$625 million in losses last year alone — and the price of each launch have yet to be worked out.

Chester Lee, NASA's director of customer services, claims it would be impossible for private American space ventures to compete with the French Ariane unless they received heavy U.S. government subsidies. Without such subsidies, Lee says, the commercial launch business will simply go by default to Ariane and other foreign interests, mainly the Japanese.

But Transpace says it aims to overcome the scepticism, the inertia of an indecisive government and foreign competition.

Company officials say that three Deltas are "fairly well along" in production and parts of 11 more are available.

"We are looking for a 1987 launch," a confident Endres says. "It's just taking longer than we expected."

Peter, Paul and Mary celebrate 25 years of singing

By Jon Kalish
Reuters

NEW YORK — Peter's hair is beginning to go grey, Paul, who now calls himself Noel, is a born-again Christian living in Maine. Mary is a grandmother.

But Peter, Paul and Mary, once America's premier folk group, still makes that unmistakable three-part harmony, often for the benefit of a good cause.

Peter, 47, Paul, 48, and Mary, 49, played eight concerts on Broadway last week to mark their 25th anniversary as group, although they spent eight of these years apart.

"Their music is part of a fabric of the lives of everyone who is alive today," said Ken Fritz, their manager.

"On some level everybody has experienced their music. The music has travelled a lot farther than they have."

That is not to say they haven't done their share of travelling.

In the last few years they have sung at over 300 benefits for various causes and candidates, ranging from anti-apartheid activists to opponents of the Reagan administration's efforts to aid Nicaragua's anti-Sandinista contra guerrillas.

One of last week's Broadway concerts raised \$50,000 for the New York coalition for the homeless.

Mary Travers, the tall blonde with the husky alto, has made fact-finding trips to El Salvador, the Soviet Union and South Korea in the last three years. She had planned to visit South Africa but her visa application was denied.

In El Salvador she made inquiries into the activities of right-wing death squads. In the Soviet Union she met Jews who had been denied permission to emigrate. She also accompanied opposition leader Kim Dae-Jung when he returned to Seoul.

Argentine Oscar-winner tells true story of missing children

By John Reichertz
Reuters

BUENOS AIRES — Argentina's "The Official Story," which last week became the first Latin American movie to win the Oscar for best foreign film, is the tale of an unfolding drama — the plight of 145 still missing children.

"This is reality made into fiction," Isabel de Mariani, president of the Grandmothers of Plaza de Mayo human rights group, told Reuters of the film directed by Luis Puenzo.

Set in 1983 towards the end of nearly eight years of military rule, it portrays a woman who discovers that her adopted child had been given to her husband by the military as a type of war booty.

The child was the daughter of a couple who disappeared after being abducted in an anti-rebel drive.

The mother's awakening to the background of the child is matched by her growing awareness of the crimes committed by the military. These are hidden from a public public behind the smoke-screen of lies that gave the movie its title.

"I saw the film four times," de Mariani said. "It always has a great impact on the public. Some still find it hard to believe that it is

not based on fiction as they had so thoroughly swallowed the military's propaganda."

The award was announced on the 10th anniversary of the March 1976 military coup and as the Grandmothers, grouping the relatives of missing children, announced the return of the 14th of 183 children who had been documented as missing.

Laura Schaccheri, now aged nine, had been missing since armed men kidnapped her parents in 1977 during a raid on their home in Lanus, a southern suburb of Buenos Aires.

The child, who was two months old at the time, was left behind by the raiders. But a couple who witnessed the incident took her from the house, registered her as their own baby and held her since then.

A week ago she was returned to her maternal grandmother and began an intensive process of receiving love and affection from her legitimate relatives, without any lies or fraud," Norberto Livski, a doctor who works with the Grandmothers, told reporters.

In recent years the Grandmothers have helped arrange the return of 14 missing children and determined that four others had been killed. Another 20 have been tentatively identified but await legal rulings ordering their

return to their legitimate families. President Raul Alfonsín, moved by the situation of the missing children, recently called on those holding them to examine their consciences and help "bring to an end this tragic period."

And after the award for "The Official Story" was announced, Alfonsín said the Oscar challenged Argentines to push forward "in our common effort to achieve a nation of peace, justice and liberty."

The government is preparing to announce the creation of a gene bank to help identify missing children, according to official sources. The bank will store genetic information of the relatives of missing children for matching against that of unidentified children.

The Grandmothers had a small role in the Oscar-winning film and admit that it has helped make their struggle known outside Argentina. But de Mariani said the group disagrees with some of the film's conclusions.

"The Official Story" fails to depict fully the brutality of the military regime and supports the position that rebels were partly to blame for the military repression, she said.

The child's adoptive father also is shown in a sympathetic light as a man with a tortured conscience.

"This is not so," de Mariani said. "These people do not have a conscience."

Human rights groups and doctors have reported that missing children illegally held by members of security forces have often been treated like slaves or second-class members of the family.

At least 9,000 people disappeared after passing through one or more of about 340 torture and detention centres set up during military rule, according to an official inquiry after the return to democracy. Military leaders for years had said that missing people had fled the country, gone into hiding or died in combat.

Five of nine former military leaders, including ex-presidents Jorge Videla and Roberto Viola, were sentenced last year to prison terms ranging from four and a half years to life imprisonment for their role in human rights violations including the forced disappearance of Argentines.

Puenzo, the film's director, said it brings back "a horrible nightmare which we will never forget" but also opens the way for Argentines to have "new dreams."

"I think we needed to make this movie as a cleansing measure," he said. "It was not easy, but it was necessary."

Vicarage rape fuels British worry over sex attacks

By Ronald Thomson
Reuters

LONDON — The brutal rape of a vicar's daughter under the eyes of her father in their London home has intensified Britain's sudden obsession with a rising tide of savage sex attacks.

In a clamorous atmosphere verging on hysteria at times, even weekly newspapers rarely appear without the word "rape" in their headlines.

Some social commentators call it "an evil plague", the government expresses horror, and judges impose ever-harsher sentences on offenders.

One parliamentarian said Britain was in the grip of a rape epidemic and another tried to ban the press from publishing pictures of naked women in sexually provocative poses.

A third was accused by colleagues of breaching parliamentary privilege by naming a physician alleged to have raped an eight-year-old girl and by identifying a clergyman as a child molester.

The clamour reached a new pitch this month with three almost simultaneous events — including the rape in which three men beat up a vicar and violated his 21-year-old daughter.

On the next day a judge at London's grim Old Bailey court imposed a triple life sentence on 24-year-old labourer Patrick Reilly for a series of rapes that included a housewife aged 41 and a schoolgirl aged 11.

As Reilly was led to the cells, he shouted at the judge: "I am thankful that you have given me this."

His agonised remark was reported as the government's home office announced that rape in the capital rose by 56 per cent last year by comparison with 1984.

Reports of sex offences over the whole of England and Wales were up by 29 per cent, prompting Home Secretary (interior minister) Douglas Hurd to declare that "the real level of this horror is being steadily uncovered."

But Hurd and chief constables throughout the country made the

point that a newly-ordained "softly-softly" approach of sympathy by police to rape victims had encouraged more women to complain of assaults.

"The extent of Britain's most widespread hidden crime is being seen for the first time," said the Sunday Times.

Until last year a rape was recorded in official statistics only if the victim pressed charges. Now the police list reported rapes even if the cases never come to court.

Scotland Yard, headquarters of London's police force, argued that the new method of reporting rape largely accounted for the increase in sex attack statistics.

And such renowned analysts as David Thomas of the Cambridge Institute of Criminology said the home office figures could be seen as "good news" because they showed the true extent of the problem.

Thomas was backed by Danish professor Beril Kutchinsky, who told reporters that the statistics brought into line with most other European countries.

Kutchinsky said that until now

the United Kingdom had admitted to only about one-fifth of the rapes recorded in comparable nations.

"It would certainly not be true to say that Britain's latest figures represent a rape epidemic," he added.

What worries British police most of all, however, is the savagery of recent assaults on women. Widows of 80 and over have been sexually attacked on streets and in their homes.

Robert Burgess, a forensic psychiatrist at Birmingham University, said there was evidence that rape attacks were becoming "nausier and messier."

Detective chief superintendent Thelma Wagstaff, one of the yard's top officers specialising in rape cases, told reporters: "Ten years ago a woman would walk into a police station and simply say she had been raped. Now women walk in with stories of awful abuse."

"More knives are being used. There is more buggery, oral sex and violence before and after the rape."

Owning a home in Japan may not be just a dream

By Kazukiyo Matsuba

TOKYO — Japanese office workers usually don't think about owning their own home — usually they just dream. Those available are often too small and the prices are far too high.

If they want a larger-than-average home at a reasonable price they must go far outside the city. That means a long commute to work. Even an hour's ride from the city often means only an expensive condominium with average rooms.

The Association for the Advancement of Cooperative Housing has been trying to cope with these problems for 10 years. Members include about 80 professional house planners and construction companies. It assists those who want to build an apartment house of their own.

"When a member of the association obtains a piece of land," explains Yoshiyuki Nakabayashi, a spokesman for the association, "he or she plans a type of apartment house called a cooperative. Prospective buyers are told of the plan through flyers and other advertisements." When enough persons agree to join in the plan, they organise a project team to discuss

the house design with professional planners.

On average, it takes about a year to plan and prepare for construction, according to Nakabayashi. There are cases where it has taken two years. Real estate agents and developers do not take part in the project, which helps cut prices.

The association has handled 180 projects and provided 4,100 families with their own homes. About 80 per cent of the cooperative houses are in residential areas of Tokyo and Osaka.

Cooperative House Kaiko, located in a Tokyo suburb, was built in 1975 and is the first of the projects completed. Its fame spread after people learned of the low price and cooperatives grew from 200 built in 1975 and 1976 to 780 in 1977.

After that boom year the average has stayed at about 400 new cooperatives per year. Part of the cutback took place because of changes in the loan system of the Housing Loan Corp. in 1978. Individuals who wanted their own apartment house could get a 9 million yen (\$49, 500) loan before the system changed. The total was reduced to 6 million yen (\$32,900).

The financial disadvantage did

not lessen the quality of the houses. Since their first development, when apartments average 50 square metres, the houses have become twice as spacious.

The price has also grown — from 20 million yen (about \$100,000) to 28 million yen (about \$150,000). But that price is 10 per cent to 20 per cent lower than other condominiums in the same area, says Nakabayashi.

Residents of newer cooperative houses often enjoy the advantage of closer human relationships than more typical neighbours might. Sometimes there are even occupational colleagues and friends with similar interests who create such housing projects. That can lead to even more enthusiastic planning.

U-Court in Kyoto is said to be the quintessential cooperative. Residents once lived in a nearby town. They organised a project team, bought a piece of land and brought the plan into the association.

The interior and exterior designs of three of the completed homes show some striking originality. For example, roofs are not the usual flat ones seen on most Japanese homes but are gabled roofs. Living rooms have per-

sonal touches that emphasise the owner's personality.

"Those living in the western part of Japan understand the effect that good human relationships can have," says Yoshihiro Endo, professor of Kumamoto University, who took part in the planning of U-Court. He said the enthusiasm of the U-Court residents stimulated the professional designers.

Nakabayashi agrees with Endo. Western Japan may be the leading edge of cooperative housing development. Owners understand that they are designing their personal homes and not going to accept ready-made houses built by developers.

At the same time, Nakabayashi says, cooperative housing is not so successful in eastern Japan, especially in metropolitan areas. "Land prices in the metropolitan area are high and, besides, there are few vacant lots," he says.

Moreover, he says, people in the eastern region of Japan seem to be more career-oriented and have little interest in where they live. "They can hardly organise a community that makes the apartment owners' initiative and cooperation possible" — Asahi News Service, Tokyo.

Garcon, there's a surcharge in my soup

By Brian Moynahan

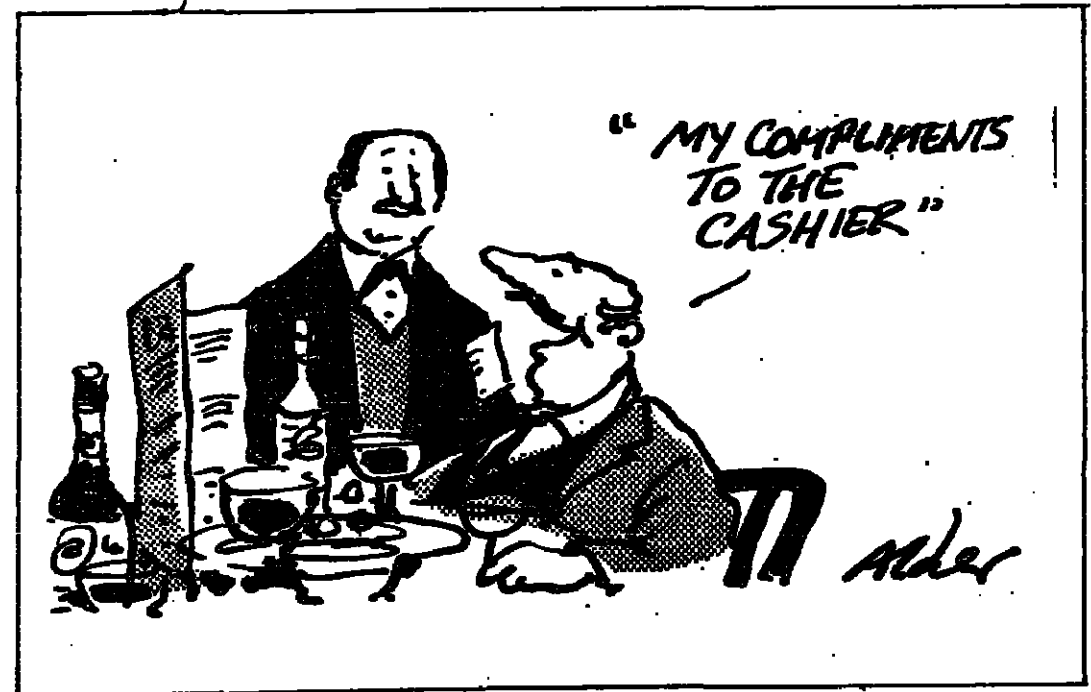
PARIS — For an ex-communist, the Paris restaurateur Jean-Claude Trastor has a touching belief in the laws of supply and demand. The price he charges customers at his restaurant, La Connaissance, depends on the volume of the day's demand for its choice of menu.

If there is a run on *grenadins de rivi*, a computer adjusts the price upwards, and if nobody is asking for *filet mignon de porc*, the price goes down.

The maximum price swing under his system is 12 francs — six up or down on the opening prices printed in the menu. At the end of the lunchtime session on Good Friday, haddock was trading five francs down on its opening price of 55 francs. *Bavette d'Aloyau* was four francs up at 42 francs.

The nine main courses at La Connaissance, all traditional fare, open the lunch or dinner session at the printed menu price. Each order is fed into a computer that marks up the price of dishes ordered and adjusts unordered dishes downwards. Price swings are sharpest at the beginning of a session when the volume of orders is low.

"I did it because, now we have a right-wing government in France, people should be exposed to capitalist restaurant pricing. It's a Barrieste restaurant," says Trastor, referring to the former



right-wing prime minister and leading free marketer, Raymond Barre. Trastor was himself briefly a communist and worked for the socialist newspaper *Le Matin*.

The fluctuating prices are displayed on video screens in the restaurant. Customers have become adept at playing the market in their orders. Trastor says: "This capitalism is child's play."

Though the system helps slow-moving dishes ("Six francs off haddock and watch it go," says Trastor), the averaging out

means little difference to profits. "I took the two trendiest things in Paris, the stock market and computers. It's a timely gimmick. It gets people talking."

He refuses to include wine in the system. "There are limits to what a Frenchman can do," he says. "We would wind up with something like *beaujolais nouveau* costing more than a good claret. This isn't London or Chicago."

Trastor has a warning for anyone trying to cash in on the "big bang" or the new wealth of cur-

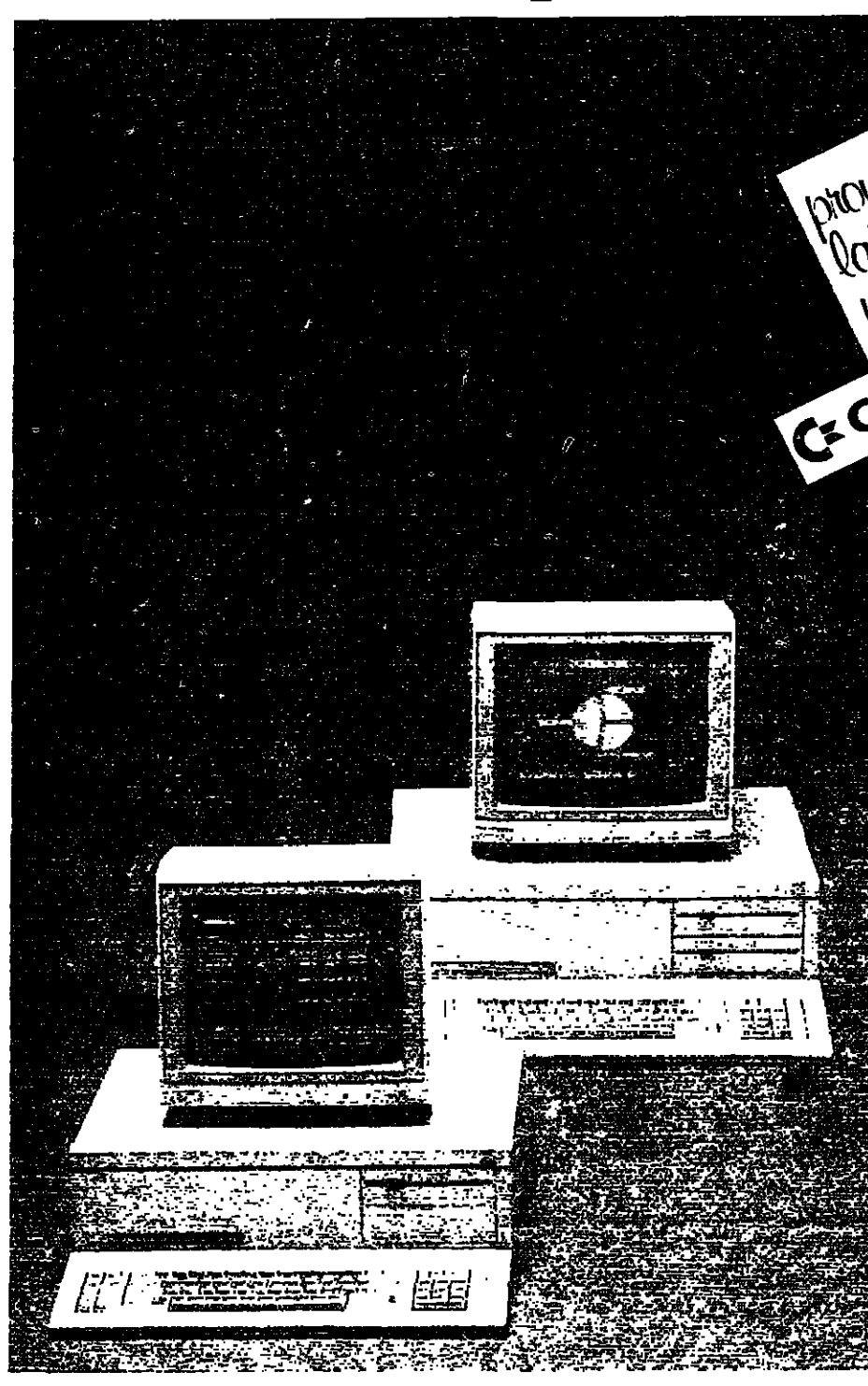
rency dealers by opening a similar establishment in the City of London.

La Connaissance is in the Rue Feydeau within a share's throw of the Paris stock exchange. The exchange resembles the Pamplona bull run at present, with the index up 36 per cent since the start of the year.

"I thought we would be full of stockbrokers," says Trastor wistfully. "We aren't. They are too busy making money to eat" — Sunday Times.

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Toyota team dominates Safari rally

NAIROBI, Kenya (AP) — The Toyota team fought off mechanical problems, fast-closing competitors and the rigours of a 12-hour, non-stop drive to hold on to the first three places in the Safari rally at the end of Tuesday's run.

Bjorn Waldegard of Sweden pulled his Celica Turbo into the Eldoret rest stop about noon leading on the road and in penalty points at 248.

But the event was marred Tuesday by the death of a spectator. Rally officials said the unidentified man was killed instantly when a Volkswagen Golf driven by Kenneth Eriksson of Sweden ploughed off the road after its steering rod broke.

It was the first time a spectator has been killed in the 34-year history of the Safari rally. Harriet Bisley, spokeswoman for the rally, told the Associated Press.

Eriksson and his co-driver, Peter

Diekmann of West Germany, escaped unhurt. They withdrew from the rally following the accident.

The Volkswagen Golf made its Safari debut this year and Eriksson had been one of the leaders. He had started the final leg early Tuesday morning in eighth position.

But the aggressive Toyota team, led by Waldegard, continued to dominate the event Tuesday.

His teammate, Lars-Eric Torph of Sweden, was second with 276 points, and the third Celica Turbo, driven by Erwin Weber of West Germany, reached the rest stop with 311 penalty points.

Defending champion Juhan

Kankkunen of Finland took advantage of the Toyota's mechanical problems to shave what had been a commanding lead by the Japanese cars. His Peugeot 205 Turbo was fourth with 316 penalty points.

Markku Alen of Finland in a Lancia Rallye 037 was fifth with 328 in penalties.

The tough, 1646-kilometre circuit through western Kenya sidelined six of the 25 drivers who began the third leg in Nairobi just after midnight Monday.

Only 19 of 71 starters finished the 1985 Safari rally, which Kankkunen won in a Toyota Celica Turbo. The Finn switched to the French-built Peugeot this year.

The third and final leg is the toughest of the five-day, 4,206-kilometre endurance run, billed as the world's toughest.

The first section of the circuit is a 1,133-kilometre ride up the rim

of the Great Rift valley, around the shores of Lake Naivasha and across the Equator in the northern hemisphere.

Toward the end of that section is a stretch where drivers reached an average speed of more than 200 kilometres per hour last year.

The survivors get a welcome rest before climbing back into their cars early Wednesday for the final 507-kilometre run to Nairobi.

Waldegard, who won the Safari in 1977 and 1984, started this year's endurance run at the no. 2 position, after Kankkunen, in a 69-car field.

The 43-year-old Swede overtook his Toyota teammate at a year ago during the 1,287-kilometre first leg after Kankkunen's car developed mechanical problems.

At the end of the second leg —

1274 kilometres — Waldegard had built a commanding lead, and his teammates were comfortably in second and third. Kankkunen and Alen, tied for fourth, were more than an hour behind the Toyota team.

But it was the Celica Turbos which were bedeviled with mechanical problems Tuesday.

A broken right rear hub caused Waldegard to lose more than 30 minutes. He was slowed later by a leaking rear axle.

Then Weber broke the rear axle on his Celica Turbo, and penalty points piled up as he waited for mechanics aboard a helicopter to bring in a new axle.

Torph, in his Safari debut, was able to move from third to second. Once Weber got back on the road, he had to do some hard driving to keep Kankkunen from breaking Toyota's hold on the top three spots.

Connors pays \$20,000 fine, begins 10-week suspension

NEW YORK (R) — Jimmy Connors Monday paid a \$20,000 fine and began a 10-week suspension for walking off the court in the fifth set of a match against Ivan Lendl last Feb. 21 in Boca Raton, Florida.

A spokesman for the men's International Professional Tennis Council (MIPTC), which imposed the penalties, said Connors' suspension would end on June 8, when the final of the French Open is scheduled to be played.

The \$20,000 fine is in addition to a \$5,000 fine levied by chief MIPTC supervisor Ken Farrar shortly after Connors quit his match against Lendl in the fifth set of the final of the International

Players Championships because of his displeasure with a line call.

Both the additional fine and the suspension were imposed a week ago by the MIPTC following an investigation into the matter which revolved round the offence of "aggravated behaviour."

Connors had been given 30 days in which to file an appeal. John Hewig, as spokesman for the MIPTC, said Connors had informed the council by post Monday that he would not contest the fine or the suspension.

Hewig said Connors had paid the fine.

Under the terms of the suspension, Connors will be ineligible

to play in any tournaments sanctioned or recognised by the MIPTC.

The tournaments include the World Team Cup in Dusseldorf, West Germany, the WCT finals in Dallas, in which Connors is an alternate, the Monte Carlo Grand Prix, the U.S. Clay Courts Championships and the Italian and French Opens.

The MIPTC, the governing body of the men's professional tennis circuit, is a nine-member group that consists of three players, three tournament representatives and three representatives from the International Tennis Federation.

Barcelona targets European Champions Cup

LONDON (AP) — Europe's prestigious club soccer competitions reach the semifinal stage on Wednesday with Barcelona heading a three-pronged Spanish challenge to the remaining teams.

The Catalan side, which won its first Spanish league title for 11 years last season under English manager, Terry Venables, travels to Sweden for the first leg of the champions cup semifinal against unfancied IFK Goteborg.

The Swedes won the 1982 UEFA Cup but were not expected to make much progress in the more illustrious European Champions Cup.

But they knocked out Scotland's Aberdeen in the quarterfinals and all tickets for the Barcelona game at the Ullevi stadium were snapped up within hours of going on sale.

Barcelona has been tra-

nsformed by the charismatic and tactically astute Venables, who is now reportedly a target for several English and continental teams.

But the 43-year-old Londoner will be without the services of his team's other British import, striker Steve Archibald, in Goteborg.

It was Archibald's goal in Turin two weeks ago that eliminated the champions cup holder, Juventus, and imposed Barcelona as the new favourite for the trophy, especially with the final taking place in Seville.

But the Scottish international, who also scored against Oporto in an earlier round, is ruled out of Wednesday's match with a pulled thigh muscle.

Better news for Barcelona is that West German midfielder Bernd Schuster was reported fit Tuesday to lead the side after a

nagging knee injury.

"Goteborg are a very strong team with plenty of international experience. We cannot underestimate them," said Venables.

While Venables will be hoping to keep out the Goteborg forwards and finish off the Swedes in the return leg in two weeks, Anderlecht of Belgium looks for a healthy first leg lead in the other champions cup semifinal against Steaua Bucharest.

But the Belgians, one of Europe's most enterprising sides and conquerors of Bayern Munich in the previous round, could have their plans upset by the withdrawal of international striker Erwin Vandenberg.

Vandenberg has the flu and is doubtful while goalkeeper Jackie Munaron, who suffered a dislocated shoulder two weeks ago, is definitely out.

On paper, however, the Belgian champion and league leader still has too much class for the uncompromising Romanian army team.

In the Cup Winners Cup, Atletico Madrid hosts a Bayer Uerdingen side that has hit peak form since its astonishing performance in the second leg of the quarterfinals.

Then, the West Germans trailed 1-3 at halftime and 1-5 on aggregate to Dynamo Dresden of East Germany but roared into the semifinals by scoring six times in the second half.

Bayer has since won 4-1 at Hamburg, one of five straight victories, and will be at full strength in Madrid.

Atletico was upset 0-2 at home by Real Zaragoza in the Spanish League on Sunday but coach Luis Aragones commented: "One bad

game should not have any effect on our play. We must try to keep Bayer from scoring."

In the other semifinal, an all-Eastern European affair, Soviet champion Dynamo Kiev hosts Dukla Prague of Czechoslovakia hoping that the talented Oleg Blokhin, one of the Soviet Union's key players in this summer's world cup finals will have recovered from illness.

In the absence of Everton, last season's European Cup Winners Cup champion but unable to defend its trophy because of the ban on English teams, Real Madrid is the only defending titlist left in Europe.

The Spanish, bidding to retain the UEFA Cup take on Inter Milan in a repeat of last year's semifinal.

Last time, Real had to produce one of its notorious goal-scoring sprees at the Bernabeu stadium in Madrid to knock out Inter after a 0-2 first leg defeat.

Kuwait presses drive to regain Gulf Cup soccer title

BAHRAIN (R) — Kuwait, five-time titleholders, pushed on with their drive to regain the Gulf Cup soccer title from Iraq with a 2-1 victory over Qatar Tuesday, which gave them a four-point lead in the standings.

In a fast-moving match, the Kuwaitis mounted a strong offensive and opened the score in the 27th minute when Moayed Haddad out-manoeuvred the Qatari defence with a well-judged pass to striker Faisal Al Dakhil, who netted from close range.

In the second half Kuwait kept up the pressure and mid-fielder Youssef Sowayyed passed to Dakhil, who scored again in the 63rd minute.

Qatar rallied and striker Adel Khamis reduced the deficit with a goal in the 83rd minute, but missed other scoring chances.

In Wednesday's matches, Saudi Arabia play the United Arab Emirates, and Oman clash with Bahrain.

Violence mars Dutch games

AMSTERDAM (AP) — At least 85 persons were arrested and 40 injured during Easter weekend in the worst outbreak of Dutch soccer violence in recent years, police said.

Casualties included a man hospitalised with stab wounds and a 70-year-old woman hit by a car after being knocked down by stampeding fans, according to officials.

On Monday, the last day of the Easter weekend holiday here, police in the Dutch port city of Rotterdam arrested 24 people in a confrontation between fans of the Rotterdam club Feyenoord and its Amsterdam rival, Ajax.

The Amsterdam team is known for the rowdiness of its supporters. Rotterdam police spokeswoman Liesbeth Zuidhoorn said one police officer was hospitalised with a broken leg and 17 others were treated for slight injuries suffered in the melee. About 200 officers were called out to quell the clashes.

Ms. Zuidhoorn said about 20 fans were injured in the clashes, which began inside the Feyenoord stadium and continued outside it after the end of the match between the two teams.

In the northern Dutch city of Alkmaar, brawling before a match between the local team AZ '67 and PSV of Eindhoven resulted in the stabbing of a PSV fan, according to Alkmaar police spokesman Peter Addink. The fan was expected to recover, and five persons were arrested in connection with the attack.

During the match, a pipe bomb was hurled into a stand with PSV fans, but the detonation of its explosives did not shatter the pipe, and there were no injuries, Addink said, adding that at least 23 fans were arrested at the match.

In the southern Dutch City of Den Bosch, a 70-year-old woman was knocked down by stampeding fans and then hit by a car before a match between the local team FC Den Bosch and visitors FC Utrecht, according to police spokesman Jacques Brummans.

BRITISH LADIES OF AMMAN

Our meeting is to be held at the Regency Palace Hotel, Wednesday, 2nd April, 10 a.m.

Coffee meeting
Members only, creche available

EXECUTIVE SECRETARY AND SALESWOMAN WANTED

An industrial firm at Awajan/Zarqa requires:

- 1- An executive secretary with sufficient experience, fluent in English and capable of handling secretarial, typing, telex and filing work.
 - 2- A saleswoman to work at a trade exhibition. All applications should be in English and include name, address and telephone number of applicants, and posted to: P.O. Box 776 - Amman, within four days from today.
- Envelope should be marked (application for employment)

NOTICE JORDAN ELECTRICITY AUTHORITY PREQUALIFICATION OF CIVIL WORKS CONTRACTORS AQABA THERMAL POWER STATION STAGE II

Jordan Electricity Authority (JEA) intends to issue forms for prequalifications of contractors for civil works for the extension of Aqaba Thermal Power Station.

The stage II expansion consists of 2 x 130 MW dual fired steam electric generating units cooled by sea water. The civil works contract involves large sophisticated civil and marine works such as foundation works for the steam turbines, generators, boilers, and all other mechanical and electrical auxiliary equipment as well as supply and installation of yard piping, all concrete and structural buildings, building services, excavations, roads, drainage systems, and etc. It is hoped that contractors with similar experience in this type of work would participate in this tender.

Arab and international development funds will participate in financing this project. Forms of prequalifications will be available from:

Jordan Electricity Authority
Purchase and Procurement Department
Jabal Amman - Seventh Circle
Tel: 815615
P.O. Box 2310
Amman - Jordan

Starting from 2.4.1986 for a non-returnable fee of JD 30 (90 U.S. dollars) for each set (2 copies each) payable to JEA.

The last day for accepting the prequalification forms, filled in, will be 15.5.1986 before 12:00 a.m. at the procurement and purchase department, JEA offices - Amman.

SEMI VILLA FOR RENT

A house part of villa: consists of: 3 bedrooms, library room, sitting & salon, 3 baths, two verandas, central heating with garage and telephone. Furnished. Location: Shmeisani.

For more information call Shahatit
Telephone: 642021 from 9:00 a.m. to 1:00 p.m.
665595 from 2:00 p.m. to 6:00 p.m.

VILLA FOR RENT

Location: Alia Housing Estate, Marj Al Hamam
Consists of three bedrooms, salon, sitting room, dining room, three bathrooms, servant's room with bathroom, driver's room with bathroom, large garden, central heating and telephone.

Call tel: 812304 and 819844

If you don't see Halley's Comet this year, you probably never will.

Jordan Noorco Travel & Tourism Co. invites you to watch Halley's Comet at Wadi Rum with an overnight stay in Aqaba on April 10th.

For more information please contact tel. no. 622974 - 637286 or visit our company - Jabal Luweibdeh.

MUSIC CLASSES AT HAYA ARTS CENTRE (ORFF) easy to learn music

Course for children (3-5 years old with mothers)
On Saturday & Thursday, 4.30-5.30 and for 6 weeks
Fees JD 12. Starting Thursday April 3.

SAVE THE CHILDREN RUG EXHIBITION

The public is invited to an exhibition of rugs woven by the Bedouin women of Jabal Bani Hamida, at Qasr Mamdouh Bisharat at Um Al-Kundum on Friday & Saturday April 4-5 from 10:00 a.m. to 6:00 p.m. Jordan summer time. (Take Airport Highway from 7th Circle. After 15 km turn right at Yadoudeh/Arab Horse Club turn-off. Go 1/2 km uphill toward Horse Club and take 1st left.) Orders for rugs can be made at the exhibition. Help 100 women increase their income.

PASSPORT LOST

Passport number 1736322 in the name of Laminzoza Sesinuedo Sorlane has been lost in Jabal Amman.

If found please return to Philippines Embassy or call Mindy at 610961, 621184.

19th Century
Orientalists Reprotables



Robert S. Lewis, Vacher, Deutsch
Billion, Ernest & Others

الرواق
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RESTAURANT CHINA

The first & best Chinese Restaurant in Jordan

1st Circle, Jabal Amman, near Ahlhyah Girls School
Take away is available

Open daily 12:00-3:30 p.m.
6:30 - Midnight

Tel. 638968

CHEN'S CHINESE RESTAURANT

Mecca Street, Yarmouk
Engineers' Housing Estate, near Kilo Supermarket

Mongolian Barbeque for lunch and dinner FRIDAY

Tel: 818214
Come and taste our specialties

Open daily 12:00-3:30 p.m.
6:30 - Midnight

CHINESE RESTAURANT TAIWAN TOURISMO

Authentic Chinese food
Friendly service
Convenient location

Also take-away service

Open daily: Noon - 3:30 p.m. & 6:30 p.m. - midnight

Location: Near 3rd Circle, opposite to Akleh Hospital

Tel: 641083

CHINA RESTAURANT ABOVE HOMAM SUPERMARKET

Take away service available

Open daily 11:30 - 3:30 and 6:30 - 11:00

AQABA
Tel: 03-314415

<p>Cinema CONCORD Tel: 677420 THE PHILADELPHIA EXPERIMENT (Colour)</p> <p>Performances: 3:30, 6:00, 8:30, 10:30</p>	<p>Cinema RAINBOW Tel: 625155 DESPERATELY SEEKING SUSAN (Colour)</p> <p>Performances: 3:30, 6:00, 8:30</p>	<p>Cinema Philadelphia Tel: 634144 - 634149 RUNAWAY (Colour)</p> <p>Performances: 3:30, 6:00, 8:30, 10:15</p>	<p>Cinema RAGHADAN Tel: 622198 HOLLYWOOD HOT TUBS (Colour)</p> <p>Performances: 12:00, 3:00, 5:30, 8:00</p>	<p>Cinema OPERA Abdel, behind Alia offices Tel: 675573 PERFECT (Colour)</p> <p>Performances: 3:30, 6:00, 8:30</p>
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LONDON EXCHANGE RATES

LONDON (R) — Following are the buying and selling rates for leading world currencies and gold against the dollar at midday on the London foreign exchange and bullion markets Tuesday.

One sterling	1.4635/45	U.S. dollars
One U.S. dollar	1.3943/48	Canadian dollars
	2.3375/85	West German marks
	2.6360/70	Dutch guilders
	1.9530/40	Swiss francs
	47.77/82	Belgian francs
	7.1700/50	French francs
	1589/1590	Italian lire
	178.55/65	Japanese yen
	7.3520/70	Swedish crowns
	2.2780/2830	Norwegian crowns
	8.6075/6125	Danish crowns
One ounce of gold	334.00/334.50	U.S. dollars

LONDON STOCK MARKET

LONDON (R) — The market closed higher after a moderate day's trading with buyers returning on the first day of a new account following the long Easter weekend, dealers said. At 1430 Tuesday the FTSE 100 index was up 15.3 to 1,684.1.

The fresh declines in sterling and crude oil prices had little adverse impact on shares although oils were weak. Dealers anticipate lower oil prices will help keep inflation down and facilitate another cut in world interest rates.

Government bonds closed just off the day's highs, posting gains of up to 7/8 point reflecting the continuing strength in U.S. credit markets on hopes of lower U.S. interest rates.

Allied Lyons reaching agreement to acquire Hiram Walker's spirit and wines division for 2.6 billion Canadian dollars left Allied 7p off at 318. Elsewhere in the drinks sector Vaux ended 25p up at 450 after 460 on rumours Pleasurama might make a bid. Pleasurama closed 3p lower at 345.

Thorn EMI ended 20p up at 519 on press reports the company is in negotiations to sell a stake in its Immos subsidiary.

Oils fell in line with lower crude prices with some Brent deliveries trading under \$10 a barrel. Shell dropped 25p to 758, ex-dividend, while B.P. ended 3p down at 555. Tricentrol closed 8p up at 83 on news Trafalgar increased its holding.

YOUR DAILY Horoscope

from the Carroll Righter Institute

FORECAST FOR WEDNESDAY, APRIL 2, 1986

GENERAL TENDENCIES: Most persons who are in a position of prominence are not in the best of humor and you should be very cautious about asking for support for your projects. Not a good day for romance.

ARIES (Mar. 21 to Apr. 19) Make sure you carry through with what you have planned for today and get good results, provided you are careful with credit.

TAURUS (Apr. 20 to May 20) You had better postpone going after new interests since you would only meet with obstacles and delays.

GEMINI (May 21 to June 21) Don't seek advice on how to improve your business affairs now, and avoid getting into big trouble.

MOON CHILDREN (June 22 to Jul. 21) Be careful in speaking either with your partners or outsiders, or you could lose valuable friends.

LEO (Jul. 22 to Aug. 21) It is important that you follow orders and thereby keep out of trouble. Don't let a co-worker who whines spoil your composure.

VIRGO (Aug. 22 to Sept. 22) Not the right day to get your capabilities to the attention of those who can help you to make them.

LIBRA (Sept. 23 to Oct. 22) Don't bring up any moot points at home and you will thereby avoid controversy. Not a good day to have guests in.

SCORPIO (Oct. 23 to Nov. 21) Use tact in all kinds of communicating, otherwise you could easily cause a severance of valuable connections.

SAGITTARIUS (Nov. 22 to Dec. 21) Handle relatively unimportant matters today since they are an integral part of the whole sphere of endeavor.

CAPRICORN (Dec. 22 to Jan. 20) You do not feel sure of yourself today, so don't make any decisions that are vital to you.

AQUARIUS (Jan. 21 to Feb. 19) You want to get rid of all your problems somehow, but it would be wise to patiently handle one at a time.

PISCES (Feb. 20 to Mar. 20) A friendly bigwig could give you ideas that are fine, but not useable as yet, so just make a note of them for the future.

IF YOUR CHILD IS BORN TODAY... he or she will get involved in all kinds of practical activities and find new ways of solving problems connected with money and property, so be sure to give a fine academic education and much success is possible during the lifetime. A good sport here.

THE Daily Crossword by Melvin Karmworthy

ACROSS

- 1 Authority
- 2 Daphnia and —
- 3 day —
- 4 Ger. submarine
- 5 Slavery leader
- 6 FDR spy
- 7 Site of a biblical contest
- 8 Emerging girl for short
- 9 Way to get abbr.
- 10 Expire
- 11 Stop on a —
- 12 Highest degree
- 13 Curves
- 14 Severity
- 15 Vowel
- 16 sequence
- 17 Big top item
- 18 One of a marriage trio
- 19 Best and Ferber
- 20 Use the gray matter
- 21 Highest peak in Afr.
- 22 Flower cluster
- 23 Urdu novel
- 24 Animated
- 25 Kind of bread
- 26 Surface measure
- 27 Lap off
- 28 Hoarded
- 29 Prevalence
- 30 Mr. Lardner
- 31 Erie for one
- 32 Knight or Mack
- 33 Orem
- 34 Cal. peak
- 35 Haggard novel
- 36 Star's sidekick
- 37 Ga. city
- 38 Avon
- 39 Apartmented
- 40 Castle for one

DOWN

- 1 Babylon line
- 2 Cut short
- 3 It's later than —
- 4 Safe's partner
- 5 Baseballer Mel
- 6 Part of a student's day
- 7 Stallion
- 8 Citrus fruits
- 9 Mine outputs
- 10 Lamprey
- 11 "Mood" —
- 12 Vibrant motion
- 13 A rattling agent
- 14 Elton
- 15 Peruvian coin
- 16 Scot. negative
- 17 Bring into bondage
- 18 Alternated
- 19 as crops
- 20 Pilgrimage to Mecca var.
- 21 Water heater
- 22 Washboard
- 23 Winter hazard
- 24 Display indecisive
- 25 — the Read- ing "Gallies"
- 26 Omega's cousin
- 27 Porter
- 28 Comedy
- 29 Sudden thrusts
- 30 Scram
- 31 Fourth estate
- 32 55 Francs Fr.
- 33 — St. Marie
- 34 Broadway offering
- 35 Despot
- 36 Household
- 37 Housewife
- 38 Comp. pt.

Yesterday's Puzzle Solved:

TIME RAINBOW STEP
ARTS ALONE RIVER
TALKABLES VESTIBULAR
FEEL MAIN RITINE
NONE DUNKIEVED
QUICKER KASINK
UNITED KINING NEW
JACIES BRINE VENA
DOOD PATIN TIRON
HANDOVER FIRST
OPPOSES ENIT
GRUNT TITIT MAN
LIKEAHOUSEAFAIRE
PERKS DOWNED ENNIS
ORBIT BEAIDS WEIRD

39 — the Read- ing "Gallies"

40 Omega's cousin

41 Comedy

42 Sudden thrusts

43 Scram

44 Fourth estate

45 55 Francs Fr.

46 — St. Marie

47 Broadway offering

48 Despot

49 Household

50 Housewife

51 Comp. pt.

Egypt signs aid accords

CAIRO (R) — Egypt has signed five agreements for a total of \$176 million in grants from the U.S. Agency for International Development (USAID), an American embassy spokesman said Tuesday.

The agreements include a \$150 million cash transfer representing the second part of the second half of a \$500 million supplemental aid package approved by the U.S. Congress last year.

They also cover \$15 million for the second instalment of a five-year project to refurbish turbines of the Soviet-built Aswan Dam by U.S. technicians.

Contractors Allis-Chalmers Corporation will take apart two of the 10 turbines at a time and replace centre runners, the spokesman said. The whole project is funded by USAID.

Other agreements, worth a total of \$11 million, include cash for a private sector feasibility study to encourage investment in Egypt.

Rabat introduces VAT

RABAT (R) — Moroccans woke up Tuesday with another tax to pay, although the government says the new value added tax (VAT) will cut rather than raise state revenues.

But it believes introducing VAT will modernise and simplify the tax system and also make it more equitable.

Finance Minister Abdul Latif Jouahri said recently the treasury would lose between 600 and 700 million dirhams (\$65 to \$76 million) a year when VAT replaced taxes on sales and services.

Answering fears expressed by opposition parties, he also said that VAT would have no effect on consumer prices, except for luxury items which carry the top rate of 30 per cent.

Many items, mainly staple foods, will attract no tax. Services like electricity and water will pay the lowest rate of seven per cent and most other items 19 per cent.

Mystery surrounds sale of Asia's biggest brewery

MANILA (R) — Mr. Eduardo Cojuangco, cousin and close associate of exiled Philippine leader Ferdinand Marcos, Tuesday lost control over Asia's biggest food and beverages firm in a sale shrouded in mystery.

Stockbrokers said Mr. Cojuangco, who controlled 33 million shares in the San Miguel Corporation, sold his shares to a group led by Mr. Andres Soriano for 3.3 billion pesos (\$150 million) in the biggest single-day transaction in the country's history.

But the circumstances surrounding the sale were intriguing. Brokers said there was speculation that Marcos himself might have been the real owner of the shares.

The government of his successor, Mrs. Corason Aquino, has claimed he controlled many companies through front men.

Mr. Cojuangco, who had campaigned vigorously for Marcos in presidential elections last February, fled the country along with the deposed ruler on Feb. 26 when Mrs. Aquino took power.

The new government has seized his properties and assets in this country. Brokers could not say who authorised the sale of the shares which returned control of San Miguel to the Soriano family.

After boardroom battles between the Sorianos and their relatives and partners in the business, the Zobel family, banker Enrique Zobel sold his holdings, delivering the company to Mr. Cojuangco.

In April 1984, Mr. Zobel became chairman of the company but last month Mr. Soriano was elected acting chairman by the board of directors.

Broker Ramon Gonzalez whose company, Ansor Hagedorn Securities, arranged the sale as well as the purchase said it was difficult to determine who owned the shares which were in a trust account.

Mr. Cojuangco had the authority to dispose of the shares but that did not necessarily mean he was the owner, dealers said.

African ministers approve \$117b investment scheme

ADDIS ABABA (R) — African foreign ministers Monday approved a \$117 billion investment package which they hope will halt the continent's economic decline by the end of the decade, officials said.

The plan, drawn up by the United Nations Economic Commission for Africa (ECA) and the Organisation of African Unity (OAU), highlights agriculture and is designed to make Africa self-sufficient in food.

It is an attempt to show the world that countries of the region can "pull themselves up by their bootstraps," Zimbabwe's Finance Minister Bernard Chidzero said during ministerial meetings here over the past four days.

The document is to be presented to the U.N. General Assembly during a special session on Africa's economic and social crisis in late May.

Mr. Soriano, 35, a U.S. citizen, is believed to be a supporter of Mrs. Aquino.

San Miguel makes the Philippines' most popular beer and is one of the 10 top corporations in the country. Its gross revenue in 1984 was estimated at 10 billion pesos (\$500 million).

The Soriano family lost control over the firm in December 1983 when Mr. Cojuangco and companies associated with him acquired the 33 million shares.

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Oil prices sink to \$9.45 a barrel as market expects further declines

LONDON (R) — Prices for Brent oil, the chief North Sea crude, were depressed further Tuesday, with many below \$10 a barrel, and traders said more falls were likely.

The drop below the psychological barrier of \$10 a barrel was triggered Monday by a warning by the United Arab Emirates Oil Minister Mansour bin Juma that prices could fall as low as \$5 if the oil-producing OPEC failed to agree on output cuts to mop up the glutted market.

Prices for Brent July delivery cargoes were quoted Tuesday at around \$9.45 a barrel, after U.S. trades Monday at a record low of \$9.70 — down about \$1 from before the Easter holiday.

June loadings were also quoted lower Tuesday at around \$9.70 after selling at \$9.80 in the United States Monday.

"Psychologically the market is poised for further drops, with nothing to keep prices up," said one European trader.

Others said levels could fall below \$8 this week.

Jitters over oil kept many traders on the sidelines. Few saw much chance of a price recovery as long as the Organisation of Petroleum Exporting Countries (OPEC) failed to adopt a strategy to slash production. Prices have fallen by two-thirds from around \$30 in November.

Many traders are sceptical of OPEC's chances for reaching any viable agreement when it next meets on April 15.

Unless the market sees a workable OPEC agreement emerge, an oil price of \$8 a barrel looks quite feasible, said Mr. Mike Unsworth of London oil analysts Scott Goff Layton Co. "The market is in a vacuum" while there is no OPEC accord, he added.

Prospects for such an agreement look small.

Egypt's oil Minister Abdul Hadi Kandeel, seemed to share that view when he told a newspaper in an interview published Tuesday: "What I have noticed is that OPEC talks much and does little."

The current drop in oil prices has much to do with the decision by Saudi Arabia to more than double its production from the 20-year lows of around two million barrels a day reached last summer, analysts said.

"It is certainly the Saudis' intention to see the market go down," Mr. Unsworth said. But whether this strategy was directed at OPEC or non-OPEC producers — especially Britain and Norway — was not clear, he added.

The Saudis appear to be prepared to play hard-ball for at least another couple of months," Mr. Unsworth said.

Industry sources in Bahrain Monday said Saudi Arabia cut its oil output last month by 500,000 barrels a day to 3.9 million, but

there was no official confirmation of this.

Worries in the oil trade Tuesday spilled over onto the London stock market where shares of oil companies, expected to be hurt by falling profits, were marked down by dealers despite a general upward trend in shares overall.

U.S. energy secretary says oil prices near bottom

In Washington U.S. Energy Secretary John Herrington said Monday he thought the decline in world oil prices had about hit bottom.

He said that "even for the Saudis, there is an optimum point on the curve where their production and their cash input balance, where they reach a point of diminishing returns, and I think we're getting close to that."

Mr. Herrington said oil prices would rise again later and the best U.S. policy was to encourage a diversification of energy sources to include natural gas and atomic power.

The drop in oil prices has forced many marginal U.S. wells to close and has jeopardised banks with oil related loans.

Iraqi minister warns of dangers

In Baghdad, Iraqi Oil Minister Qasem Ahmad Taqi said that if sharply fluctuating oil prices are left unchecked, the world economy will eventually become destabilised.

He suggested in a newspaper interview that it was in the interest of oil producers and consumers alike to take action to prevent the situation deteriorating.

Writing in the daily Al Jumhooreya, the minister said oil prices had fallen because of the failure of OPEC members to devise an appropriate strategy to counter the current market situation, and as a result of dwindling world demand for oil since 1980 following the increased development of other energy sources, including coal, natural gas and nuclear power.

He also pointed out that oil prices were liable to go up or down according to the exchange rate of the U.S. dollar.

The minister said that while importing nations would benefit from the sharp drop in oil prices, the economies of oil exporting countries would be hit hard.

He said the United States, the world's largest consumer, would be the biggest beneficiary of lower oil prices, but the trade balances of the United Kingdom, Norway and Canada — all non-OPEC oil exporters — would be negatively affected.

He pointed out that the price decline would have a detrimental impact on the economies of industrialised nations as demand for their goods and services from oil exporting countries decreased.

EC, U.S. trade row intensifies

BRUSSELS (R) — The European Community (EC) and the United States were Tuesday on the brink of an all-out trade war after Washington raised the stakes in a dispute arising from its loss of Spanish and Portuguese markets.

EC External Relations Commissioner Willy De Clercq labelled threatened reprisals by Washington on a range of EC products as "needlessly aggressive and difficult to understand."

The United States said Monday it would impose tariffs and quotas within the month unless the EC swiftly removed barriers harming American agricultural exports, mainly wheat and cattle fodder, to the EC's new members.

This confrontational approach risks leading to open commercial conflict, Mr. De Clercq said shortly afterwards in a statement, adding that the EC had declared itself ready to negotiate.

The Reagan administration is demanding compensation for lost grain sales to Spain and the dismantling of restrictions on sales of U.S. farm products, mainly sorghum and soy beans, to Portugal following the group's enlargement.

The rapidly worsening dispute comes after months of angry sniping over export quotas for steel, textiles, wine, pasta and even nuts.

Plunge in oil prices will deeply hit East-West trade, U.N. study says

GENEVA (AP) — U.N. analysts said Tuesday that the plunge in world oil prices would cost the Soviet Union billions of dollars in hard currency earnings and that this would have a deep impact on East-West trade.

The forecast came in a review of the Soviet Bloc's economic performance in 1985, which the survey said was marked by a sharp slowdown in growth.

Last year saw a fall in Western imports from Eastern Europe, particularly from the Soviet Union, the study said.

Even if oil prices were to stabilise at \$15 to \$20 a barrel Soviet revenues from the West could drop by between \$4 and \$5 billion, it said.

A similar decline in the price of Soviet natural gas would imply a further cut in earnings by between \$1 and \$2 billion, said the 300-page survey, pointing out that fuels account for 80 per cent of Soviet export revenues.

The survey, prepared annually by the secretariat of the U.N. Economic Commission for Europe, said the oil price collapse and related factors were likely "to weaken one of the key supports for East-West trade."

Sales of other East European goods in the West were predicted

to pick up again in because of improving prospects for Western economic growth in 1986, but were not expected to offset the adverse impact of lower oil prices, according to the survey.

The East Bloc trade surplus that had been registered in recent years fell markedly in 1985 due to weak export performance and buoyant imports by several Soviet Bloc countries, it said.

The Western trade deficit with Moscow's East European allies dropped from \$3.7 to \$2.2 billion, according to provisional estimates.

Lower oil and oil product imports by Western nations during the fourth quarter may have pushed their trade balance back into a surplus in 1984, following a \$2.3 billion deficit the previous year, the survey said.

The decline of the dollar against other major Western currencies was also cited as a factor in the increase in Soviet Bloc foreign debt, which had dropped for several years.

The survey estimated that the bloc's net debt — gross debt minus hard currency deposits in the West — increased from \$63.1 to \$67.2 billion because of new borrowings by Moscow.

Poland remained the number one individual net debtor, at \$27.4 billion in the red by mid-1985, compared to \$26.8 billion in 1984, the survey said.

The Soviet Bloc's export revenues from the Third World were negatively affected by lower import demands resulting from adjustment measures taken by highly indebted developing countries, and by a drop in the income of major oil producers.

The overall economic growth rate of the Soviet Bloc declined, the study said.

For Moscow's allies, the growth was given as 3.5 per cent, only two-thirds of the 1984 rate. For the Soviet Union, the 1985 increase was estimated at 3.0 per cent, against 3.2 per cent in 1984.

An unusually harsh winter in almost all countries and prolonged drought in Bulgaria, Hungary and Romania contributed to what the survey said would be "remembered as a disappointing year" for the Soviet Bloc economies.

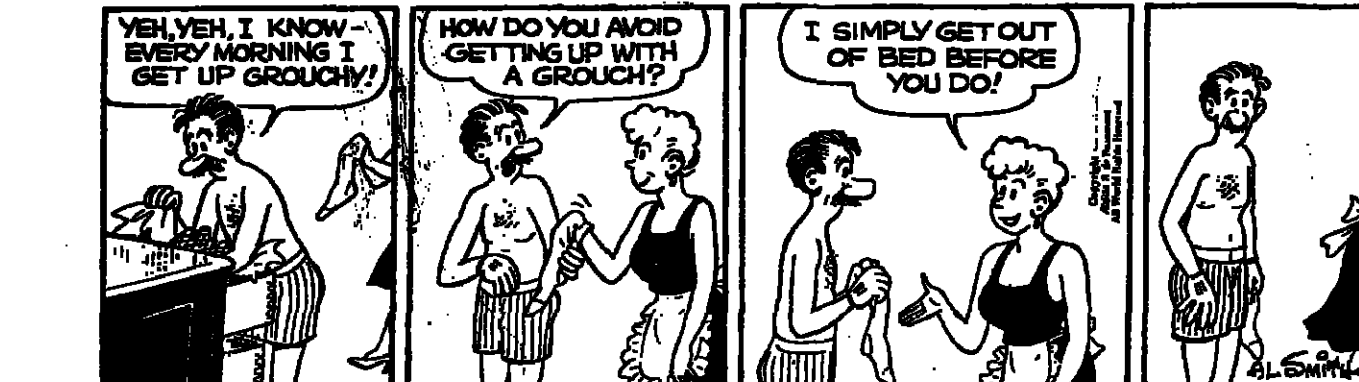
This compounded, it said, an "insufficient growth of labour productivity" and other shortcomings that have been a long-standing features of "centrally planned economies."

The survey said indications were that in most countries reviewed a real transition to "resource-efficient output growth is still to be achieved."

Peanuts



Mutt 'n' Jeff



Andy Capp



THE BETTER HALF. By Harris



JUMBLE. THAT SCRAMBLED WORD GAME by Henri Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

FLOYT

NYLAM

MEECHS

COIBED

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer here: AS THEM

(Answers tomorrow)

Yesterday's Jumbles: CRIME HONEY JENIG AROUSE

Answer: A "Shower" for the bride-to-be may symbolize the beginning of this — A "REIGN"

U.S. 'opposes' atomic weapons for Israel, India and Pakistan

WASHINGTON (AP) — The United States opposes Israeli possession of atomic weapons and is pressuring India and Pakistan to end "an immediate, real threat" of a nuclear arms race in the region, a top official said.

"If it is true that Israel possesses the bomb, we don't see it as a contribution to peace and stability," Robert Peck, deputy assistant secretary of state for the Near East and South Asia, said Monday.

Mr. Peck and diplomats from the countries of South Asia answered questions at a forum for foreign correspondents at the Washington Foreign Press Centre, operated by the U.S. Information Agency.

Nuclear proliferation is a problem everywhere and in the Asian subcontinent, "the problem remains acute...there is an immediate, real threat," Mr. Peck said.

"India has demonstrated a capability for making weapons and 'Pakistan has engaged in activities which we find troubling,'" he continued, referring to India's lone atomic explosion in 1974 and Pakistan's recent clandestine activity in uranium enrichment and other nuclear operations.

Mr. Peck added that the United States takes seriously both countries' statements of peaceful intentions and "will continue to use all the ways possible...to induce the maximum restraint on the part of both governments."

"In fact, we are very encouraged by their recent agreement" of India and Pakistan to discuss mutually renouncing attacks on each other's nuclear facilities, Mr. Peck said.

"We like to think that this is a first step and that the dialogue between the two governments will produce other steps...leading ultimately to a solution of this problem," he said. "Certainly the U.S. government will put all its weight behind whatever can be done."

Mr. Peck's statement about maximum U.S. effort implied potential use of the American aid cutoff required by U.S. law against any country exploding atomic weapons.

Asian journalists, as well as Pakistan embassy minister Mujahid Hussain, questioned why the United States, in calling attention to the danger of a subcontinent

nuclear race, seemingly ignores occasional reports of an Israeli atom bomb.

Mr. Peck was asked bluntly whether Washington would regard Israeli possession of nuclear arms "a threat to peace or insurance for peace in the Mideast."

The official replied that he was not totally familiar with the Israeli question but "clearly, we don't welcome the possession of nuclear weapons by any states beyond those who have accepted the responsibility of non-proliferation and who are members of the club in good standing for many years."

"So if it is true that Israel possesses the bomb we don't view it with equanimity, and we don't see it as a contribution to peace and stability in the region," he added.

Mr. Hussain, who is Pakistan's ambassador-designate to Yugoslavia, told the forum "I think...I am confident something will come out" of the nuclear anti-proliferation proposals under discussion by his government and India.

He said they include simultaneous acceptance of the non-proliferation treaty or "if that presents difficulties...arrangements such as bilateral or regional renunciation of nuclear weapons, creation of a South

S. African students, nationalists end talks

HARARE (R) — Representatives of white South African students and the African National Congress (ANC) Tuesday ended three days of talks on the current turmoil in the white-dominated republic and ways to bring change.

The two sides said in a joint communiqué the meeting was positive and productive. "The delegations agreed that apartheid is the central cause of conflict in our country and that the Pretoria government is incapable of resolving South Africa's problems. Apartheid cannot be reformed."

The meeting, the latest in a series between the outlawed guerrilla body and South African groups which have angered the Pretoria government, was requested by the National Union of South African Students (NUSAS) after a poll of white students.

The eight students were led by NUSAS President Brendan Barry and the seven-strong ANC delegation was led by National Executive Committee members Mac Maharaj and James Stuart.

Barry told reporters the main topics of the talks, held privately at the residence of the High Commissioner of Ghana, were the current crisis in South Africa, the country's future nature and ways of achieving a democratic future. "For the first time in our lives, we got a full picture of what the ANC is, what its positions are and what its hopes are," he said.

Maharaj said such meetings had led to greater unity. The communiqué called for the early and unconditional release of all political prisoners and detainees.

West German SDP to change SDI accord

BONN (R) — The West German Social Democrats (SDP), said Tuesday they would feel free to renounce Bonn's agreement on joining President Reagan's "Star Wars" research if they come to power in next year's general election.

SDP arms expert Egon Bahr told a news conference the accord signed by the United States and West Germany in Washington last week was a government-to-government pact.

"The agreement binds only the present government. The next one would be free to renounce it," he added.

Mr. Bahr said that if the SDP won the January election it would first examine the passages of the accord which are being kept secret and then decide whether to scrap it entirely or make changes.

The Washington pact made West Germany the second country after Britain to sign up for a share in research on the so-called Strategic Defence Initiative (SDI).

The SDP, running close to the ruling centre-right coalition in opinion polls, has condemned the SDI programme outright and campaigned against German involvement.

At Tuesday's press conference Mr. Bahr called on the West German government to declare its opposition to the deployment of

any new U.S. binary chemical weapons on its territory.

Mr. Bahr said the NATO alliance was close to formulating a new policy on chemical weapons and that the U.S. Congress was awaiting indications from European allies whether they would accept deployment of the new binary arms in a crisis.

"The Bonn government has a key responsibility with regard to a new round of the chemical arms race. If it says no to the weapons no other European ally will say yes," he added.

The U.S. Congress has given conditional approval to plans to produce binary arms but hinged it on the European attitude to deployment.

Binary weapons, which are safer to store than traditional chemical arms, become lethal only when substances in the warhead are mixed after launch.

Mr. Bahr accused the United States of planning to integrate the new arms into its battlefield planning in Europe instead of keeping them in reserve as a retaliation weapon.

He also attacked the Reagan administration for rejecting Soviet leader Mikhail Gorbachev's proposals for a nuclear test ban.

"Instead of testing Gorbachev, the Americans are more interested in testing nuclear weapons. This is appalling," he said.



Swiss fall for Imelda auction prank

ZURICH (R) — Swiss women hoping to pick up a bargain from the wardrobe of former Philippines First lady Imelda Marcos forgot to look at their calendars Tuesday. The Zurich daily Tages-Anzeiger reported in Tuesday's edition that clothes and jewellery belonging to the wife of ousted President Ferdinand Marcos would be auctioned in offices of Swiss Volksbank in Zurich's chic Bahnhofstrasse. Less than an hour after the supposed sale opened, more than two dozen hopefuls had turned up looking for luxury haute-couture and gems. The first Swiss Volksbank knew about the prank was when officials opened their newspapers.

Chinese run 2,100 km to attend a marathon

PEKING (R) — Three workers from Shenyang in north east China ran 2,100 Kilometres to take part in a marathon in the south west. The New China News Agency said Tuesday. It said the three set out in snow on Feb. 23, covered more than 60 kilometres a day and reached Chengdu, in Sichuan province, in good time for next Saturday's race. The marathon, a mere 26 miles (42 kilometres), is sponsored by the International Olympic Committee, it added.

Capt. Scott's ship leaves London

LONDON (R) — The expedition vessel Discovery, which took British explorer Capt. Robert Scott to the Antarctic 85 years ago and has since become a landmark in London, has set out on a final 50-mile journey home. The Discovery is being returned to a semi-submersible to go on permanent display at the Scottish port of Dundee, where it was built for Scott's first expedition to the Antarctic in 1901. Tug boats boomed and crowds cheered as London's Tower Bridge was raised for the departure of the 225-foot (75-metre) vessel. It was moored on the Thames embankment for many years and later became a tourist attraction at St. Katherine's Dock, in east London. Scott, who returned in triumph aboard the Discovery in 1904, after his first expedition, died in a blizzard on a second trip to the Antarctic in 1912.

Major revelations appear on April 1

PARIS (AP) — Listeners to the France Inter Radio network Tuesday learned the astonishing news that Italian automaking giant Fiat has signed an agreement to buy the French state-run Renault car company. Observers speculated that the Fiat-Renault story, and a number of other major revelations in the press, may have been related to the date, and what the French call "April Fish." Among Fiat's alleged plans for Renault, which last week posted 10.92 billion francs (\$1.56 billion) in losses, was to build a new car, to be called Fiat (after Fiat and Renault). The new model will be styled after the tiny Fiat 500 and, among other things, have a plastic body. The Parisien reported exclusively that a protocol had been signed to dismantle the Eiffel Tower and move it to the new Disneyland site east of Paris. In the tower's place, a 35,000-seat stadium will be built for the 1992 Olympic Games. The conservative daily Le Figaro revealed that former Defence Minister Charles Hernu, who resigned last year during the scandal that followed the sinking of an anti-nuclear protest ship by French agents in New Zealand, would exchange himself for the two agents now imprisoned in Auckland. "I owe them that much," Mr. Hernu was quoted as saying of the pair, now serving 10-year sentences for their role in the sabotage, adding that he counted on new conservative Premier Jacques Chirac to obtain his release.

Fireworks blasts kill 578 people

PEKING (R) — Fireworks explosions in China last year killed 578 people and injured 1,639, the worst year on record, the China Law newspaper reported Monday. The paper said the worst single accident occurred in April last year at a fireworks factory in the northern city of Taiyuan where a blast killed 83 people. It said two-thirds of the explosions occurred in factories in rural areas and called for improvements in safety controls.

Delhi replaces Punjab governor

CHANDIGARH, India (R) — The governor of strife-torn Punjab state was replaced Tuesday, authoritative sources said.

The sources said Governor Shankar Dayal Sharma, appointed to the post only three months ago, was replaced by veteran politician Sirdar Shankar Ray.

The change in the central government's chief representative in the state was made three days after the appointment of a new Punjab police chief.

It was the second time in three days a top Punjab official was replaced. On Saturday, Punjab Chief Minister Surjit Singh Barnala announced the replacement of the state's police chief by the country's most-respected lawman Julius Ribeiro.

Ribeiro was former police chief of the country's biggest port and main commercial city Bombay. He has directed the drive over the

past few days against extremists. The continuing violence has threatened the stability of Mr. Barnala's moderate Sikh-dominated government and has put pressure on both Mr. Barnala and Prime Minister Rajiv Gandhi to restore order to the prosperous state.

Thousands of police poured into India's Punjab state Tuesday to bolster efforts to keep the peace after 38 people were killed in four days of Sikh extremist violence.

Police killed two gunmen after a high speed chase Monday night, the Press Trust of India (PTI) reported.

The men, who fired at police investigating a hold-up about 55 kilometres from the Sikh holy city of Amritsar, were shot as they fled on a scooter, the news agency said. The deaths brought to five the number of people killed Monday in Punjab.

Novosti links Black Sea incident with KAL disaster

MOSCOW (R) — The Soviet Novosti press agency said Tuesday two U.S. warships alleged to have entered Soviet waters last month were on a mission similar to a Korean airliner shot down in 1983 which Moscow accused of spying.

It said the cruiser Yorktown and destroyer Caron stayed for more than two hours in the Black Sea some 3 kilometres from the Soviet shore while the U.S. reconnaissance satellite Ferret crossed their paths three times.

The incident happened on March 13.

Moscow said a Korean airliner, shot down over Sakhalin Island in the Soviet Far East, had been on a pre-planned spying mission with the Ferret satellite. All 269 passengers on the plane were killed.

The United States and its allies denied the charges and said the plane had inadvertently strayed off course. The incident led to a sharp deterioration in East-West relations.

Novosti, citing "Soviet experts," clearly linked the two incidents, without actually mentioning the airliner shooting.

"This most recent use of the Ferret satellite in an outrageous provocation against the sovereignty and security of the USSR will perhaps serve as a reminder of provocations staged not so long ago," it said.

"The outcome of some of these provocations was relatively harmless, while others spelled a tragic end for those who staged them," the agency added.

The U.S. Defence Department acknowledged that the ships had entered Soviet waters but said they were entitled to under international law.

Novosti said this was an insufficient explanation. "Today a hostile invasion is being called a 'peaceful passage.' In the same way, earlier provocations were staged under the pretext of taking 'samples of the air' or explained away by the 'faults' of people and instruments," it said.

A week after the Black Sea incident the head of the Soviet navy said his forces had displayed patience and self-restraint.

Defence Ministry sources said sentences in the court martial of Argentina's former military leaders for their role in the nearly three-month war would probably be handed down in mid-April, three months behind schedule.

The military prosecutor had asked the court to jail former military President Leopoldo Galtieri and former Navy Commander Jorge Anaya for 12 years for negligence.

He also asked the court to sentence former Air Force Commander Basilio Lami Dozo to eight years in jail, also for negligence.

But Mr. Trinidad said even if reports that the court might take the unusual step of slightly increasing the sentence sought for Anaya and confirming the others proved true, the veterans would not be happy.

"In a subliminal sense, it means the war itself is being judged," he said.

He said the sentences recommended were not in line with the military code and that the trial should have been widened to include government leaders,

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New French assembly meets today

PARIS (R) — France's newly-elected National Assembly holds its first session Wednesday with the far-right National Front determined to steal the show from the established political parties.

Former paratrooper Jean-Marie Le Pen, swept into parliament at the head of 35 National Front deputies, has said he is ready to make life difficult for the new Gaullist-led government majority if it spurns his offers of cooperation.

The governing alliance of Prime Minister Jacques Chirac's RPR and the centre-right UDF has a slim two-seat majority likely to be tested in a vote of confidence next week.

Wednesday's session is due to open at 4 p.m. (1400 GMT) with a speech by the oldest member, 94-year-old aircraft constructor Marcel Dassault (RPR).

The major parties are hoping that Dassault prevented by influenza from voting in the March 16 elections, will be well enough

to take the rostrum.

If he is too frail to appear, the privilege of opening the session will fall to the next oldest deputy, 83-year-old Edouard Frederic-Dupont of the National Front — an unwelcome reminder of Le Pen's newfound parliamentary strength.

President Francois Mitterrand has also signalled that he will make his presence felt with a message to the new assembly, possibly as early as Wednesday.

The 577 deputies will elect a new speaker, virtually certain to be Gaullist former Prime Minister Jacques Chaban-Delmas, who will be taking the job for the third time.

The mayor of Bordeaux was speaker for a total of 14 years, from 1958 to 1969 and from 1978 to 1981. But his nomination by the RPR has left wounded feelings in the UDF, whose leaders say the Gaullists have monopolised all the major ministries.

The UDF is likely to be compensated by obtaining the chairmanship of several major parliamentary committees in the share-out of posts that will follow Wednesday's election.

Mr. Chirac and the members of his government elected deputies last month have already resigned their seats and will be replaced automatically by candidates from the same department.

Backstage bargaining over parliamentary posts is likely to go on for up to a week. Mr. Chirac's presentation of his government programme and the vote of confidence, probably on April 9, will be followed in mid-April by two bills enabling the government to rule by decree in certain areas.

The first will authorise it to introduce an economic recovery package and the second to abolish the proportional voting system under which last month's election was carried out.

The two measures will be followed by a mini-budget, which the government has promised to present by the end of April.

Fresh bomb blast, fire erupt in Sabah

KOTA KINABALU, Malaysia (R) — A bomb exploded near a factory area and a shop was set ablaze in new violence in East Malaysia's Sabah state, residents and firemen said Tuesday.

There were no reports of casualties in the bombing in Likas, just outside the capital, or in the fire believed set by arsonists in the city's Semblan district.

The incidents were the latest in Sabah after two weeks of Muslim unrest, about 50 bomb blasts, and several cases of arson killed five people in two weeks last month.

More than 1,500 Muslims were arrested for rioting in protest against alleged discrimination by the state's mainly Christian rulers, who have denied the charge.

The new violence erupted as a federal government-sponsored

plan to ease tension in Sabah was near collapse. The state's Christian rulers spurned swift cooperation with the mainly Muslim opposition to defuse tension.

Residents said there was an uneasy calm in Kota Kinabalu where a four-hour curfew from 1 a.m. was still in force.

The plan proposed by Prime Minister Datuk Seri Mahathir Mohammad called for political cooperation between the ruling Kadazan-based Parti Bersatu Sabah (PBS) and mainly Malay opposition before fresh elections.

Christian Chief Minister Datuk Joseph Pairin Kitingan said in Kuala Lumpur Monday night that PBS would only consider cooperation with the opposition after elections.

The two sides were due to sign a

pact to implement the plan on Saturday but the PBS backed out after disagreement over some of its terms.

Muslim opposition leader Tun Mustapha Harun of the United Sabah National Organisation (USNO) and leaders of the federal-backed multiracial Berjaya Party have agreed to the pact.

Mr. Pairin dissolved the state assembly last month, just 10 months after coming to power, following a spate of defections by his state assemblymen to the opposition. A date for fresh polls has yet to be set by the Federal Election Commission.

Sabah is the only one of Malaysia's 13 states not ruled by Mr. Mahathir's Malay-dominated 11-party National Front Coalition.

at a carnival," one government official told Reuters. "They could do damage but are mainly meant to look spectacular."

Two more attacks, on Osaka Police Headquarters on Friday and Monday night at the state guest house where the economic summit is due to be held from May 4-6, had similar results.

Most of the four rockets fired Monday night sailed harmlessly into the grounds of the home of Crown Prince Akihito next door. One was blocked by a hastily-thrown police net. Another stuck in its launcher, police said.

The sole casualty in both attacks was a policeman who was taken to hospital with burns.

Three of the 26 to 30 known left-wing radical groups in Japan have been implicated in the rockets raids.

One group called Senki-Ha (battle flag) claimed responsibility for the embassy and palace attacks, while the largest of the factions, Chukaku-Ha or "central core," said it hit the Osaka police

building. Police said Monday night's rockets looked like the work of another faction, Hazaama-Ha.

All the groups have pledged to upset the summit, which they denounce as a festival of Capitalism, and the April 29 celebrations of the reign of the emperor, whom they blame for leading Japan into the World War II.

Most of the extremist groups are offshoots of the Japan Communist Party, the smaller Communist League and the Trotskyist League. For the radicals, none of these seemed ready enough for violence.

In 1984 Chukaku-Ha set ablaze the Tokyo headquarters of the ruling Liberal Democratic Party. Again there were no casualties, the building was almost empty at the time.

The mass-circulation daily Yomiuri Shimbun said that decade-old strategy plans showed that Chukaku-Ha planned to step up its campaign in the next few weeks by dropping cars onto railway

tracks from bridges, with the aim of wrecking the country's high-speed bullet trains.

Police were unable to confirm such plans, but said they had seized documents from the hideout of a Chukaku-Ha activist arrested on charges of attempted murder. The documents included instructions for making bombs, they added.

Most of the extremists were believed to have shied away from killing after a Tokyo bomb blast in 1973 killed seven people and injured 288.

Money for radical operations is usually raised by contributions from working men's groups. Police believe Chukaku-Ha alone raised about \$5 million last year.

Official statistics list 89 cases of guerrilla activity last year compared with 48 in 1984 and 16 in 1983. Police are wondering if this year will set new records.

One result of all this has been a bigger police presence on the streets of Tokyo. Officers now glare suspiciously whenever a car litters at the kerbside.

GOREN BRIDGE

BY CHARLES GOREN AND OMAR SHARIF
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DEAR MR. GOREN

Q.—I have some problem with the difference between takeout and penalty doubles. Despite searching diligently through the literature, I can't find an answer to the problems below. In which of the three sequences is South's last double for penalties and which are takeout, and why?

1) East South West North
1 ♠ 2 ♠ 3 ♠ 4 ♠

2) East South West North
1 ♠ 2 ♠ 3 ♠ 4 ♠

3) East South West North
1 ♠ 2 ♠ 3 ♠ 4 ♠

I look forward to your help.—M.W.W., Palm Beach Gardens, Fla.

A.—The first double is for penalties. The other two are for takeout. Here's why.

In the first example, North converted South's takeout double to penalties. It doesn't seem logical, therefore, that South can want to force North to name a suit when he already knows that North's best suit is diamonds. Since South announced possession of clubs with his initial takeout double, this second double is clearly for penalties.

In the second sequence, South doubled one diamond for takeout,

therefore, he cannot have diamond length. If he had, he would either have passed or bid one no trump. Since North has not yet bid, South's double of two diamonds is still for takeout.

The last sequence is analogous, even though East-West have introduced a second suit. Opposite a partner who could have nothing, South can hardly be doubling for penalties at the two-level when the opponents have bid and raised their suit. South must have a heart-club two-suiter that was too strong for a simple overcall at the one-level. Now he is doubling again to force North to choose the suit.

Q.—How do you reach a grand slam with these hands?

WEST EAST
♠ Void ♠ KQJ74
♥ 98 ♥ AK
♦ AKQJ753 ♦ 86
♣ AK85 ♣ J1093

Our group hasn't found a way.—M.F.G., Prairie du Chien, Wis.

A.—If you go to a small slam, you did excellently. I can't for the life of me understand why you want to reach a grand slam in diamonds on these cards. After a heart lead, you have at best a 50 percent chance. You must decide whether to play South for the ace of spades or queen of clubs, and you can't afford to go wrong.